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USTR Strategic Plan

FY 1997 - FY 2002



Office of the United States Trade Representative

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INTRODUCTION

This document represents the strategic plan for the Office of the United States Trade Representative (USTR). It has been developed to carry out USTR's obligations under the Government Performance and Results Act (GPRA) and to help the agency plan for the future. This is the product of a USTR employee committee established to evaluate the requirements of GPRA and produce recommendations for the U.S. Trade Representative. Comprised of thirteen Assistant U.S. Trade Representatives (AUSTRs) in the agency, the committee is called the AUSTR Committee on GPRA. This committee was tasked with formulating and completing the draft of the strategic plan. In the past months, USTR has consulted with customers and stakeholders and generally revised the plan to focus more on outcomes, thus making it more easily measurable.

The plan consists of four core elements: a mission statement for USTR; specific long-term objectives; strategies and resources for achieving the long-term objectives; and goals for measuring success. In this plan, annual goals are included to show how the outcome goals, five year strategic goals and annual goals interconnect. The annual goals are illustrative and will be refined in the annual performance plan to be submitted to Congress with the President's FY 99 budget request. Important background information about USTR and the process for developing the strategic plan is included in the back sections of this document.

MISSION STATEMENT

Our mission is dictated by statutes and legislative history. Under these mandates, the Office of the U.S. Trade Representative:

- develops and coordinates trade policy on an interagency basis;
- negotiates and enforces trade and investment agreements;
- administers U.S. trade laws; and
- consults with the Congress, the private sector,¹ and the general public on trade and trade policy.

¹ This and all subsequent references to the “private sector” shall be taken to include business, labor, environmental, consumer, and other nongovernmental organizations and the Advisory Committee System. The Advisory Committee System (see Appendix III), established by Congress in 1974, ensures that U.S. trade policy and trade negotiation objectives adequately reflect U.S. commercial and economic interests. Congress expanded and enhanced the role of this system in three subsequent trade acts.

GENERAL GOALS AND OBJECTIVES

- I. Formulate the trade policy of the United States to advance the national economic interest and reflect the views of the Executive Branch, the Congress, and the private sector.
- II. Negotiate trade and investment agreements to advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce and, where necessary, modify these agreements to ensure that the intended benefits are achieved.
- III. Open clear lines of communication related to U.S. trade policy and investment goals with the Congress, the private sector, the media, and the general public.
- IV. Tailor internal management to support, train, and retain highly-motivated employees who can carry out negotiating and supervisory responsibilities within the trade policy community.

GENERAL GOALS, OBJECTIVES AND ASSOCIATED STRATEGIES

- I. Formulate the trade policy of the United States to advance the national economic interest and reflect fully the views of the Executive Branch, the Congress, and the private sector.

Strategy 1 -- Ensure that U.S. trade policy reflects sound economic analysis, and is consistent with statutory requirements.

Strategy 2 -- Lead the interagency coordination process and ensure that policy positions are developed with the full participation of other relevant agencies.

Strategy 3 -- Engage Congress in the development of legislative initiatives, including grants of authority to implement certain trade and investment agreements.

- II. Negotiate trade and investment agreements to advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce and, where necessary, modify these agreements to ensure that the intended benefits are achieved.

Strategy 4 -- Negotiate trade and investment agreements that open foreign markets to the goods and services of U.S. workers, agricultural producers, and other commercial interests; USTR also provides trade policy expertise in the negotiation of other agreements with trade implications.

Sub-strategy 1 -- Multilateral Negotiations

Sub-strategy 2 -- Regional, bilateral, and plurilateral negotiations.

Strategy 5 -- Monitor, enforce, and defend U.S. trade and investment rights and obligations to ensure compliance with the terms of existing agreements.

Strategy 6 -- Administer trade laws to bolster international compliance with U.S. trade agreement rights and obligations and address trade-related problems that are outside the scope of existing trade agreements.

- III. Open clear lines of communication related to U.S. trade policy and investment goals with the Congress, the private sector, the media, and the general public.

Strategy 7 -- Assist the President, Congress, and private sector interests in the resolution of trade and investment problems.

Strategy 8 -- Communicate with the private sector and the general public to increase understanding of the contribution of trade and investment to the economic security of the nation.

IV. Tailor internal management to support, train, and retain highly-motivated employees who can carry out negotiating and supervisory responsibilities within the trade policy community.

Strategy 9 -- Create a work environment most conducive to the efficiency of USTR's employees.

Sub-Strategy 1 -- Implement training programs and family friendly work schedules and provide a safer and more secure workplace.

Sub-Strategy 2 -- Rebuild and upgrade USTR's computer system.

Sub-Strategy 3 -- Improve internal business practices to better manage operations.

General Objective: Formulate the trade policy of the United States to advance the national economic interest and reflect fully the views of the Executive Branch, the Congress, and the private sector.

Strategy 1: Ensure that U.S. trade policy reflects sound economic analysis and is consistent with statutory requirements.

By statute, the United States Trade Representative is the principal advisor to the President on trade policy and the principal coordinator of trade policy development within the Executive Branch. The formulation of trade policy requires extensive consultation with other Executive Branch agencies (see Appendix I), the Congress (Appendix II), the private sector (Appendix III), other stakeholders in U.S. trade policy, and our trading partners. The policy must be based on sound analysis of U.S. national economic interests which requires, in part, that USTR maintain access to a full array of analytical resources and exercise leadership in helping to direct research and analysis in other agencies. As USTR is also the lead negotiator of trade and investment agreements, the policy process requires the generation of a number of negotiating strategies, assessment of their expected results, and the selection of an appropriate strategy.

Outcome Goals:

- 1) Create a trade policy that will effectively serve broad economic and public policy goals; and
- 2) Develop a policy that integrates statutory requirements, the views of stakeholders, the findings of appropriate research and analysis, and the “art of the possible” in international trade negotiations and enforcement.

Five Year Strategic Goals:

Some **Key External Factors** may affect USTR’s ability to achieve these strategic goals. USTR must directly or indirectly have access to the research and analytical resources that inform the trade policy formation process. This depends, in part, on the maintenance of such resources elsewhere in government e.g. in Executive Branch agencies such as the Departments of Treasury, Commerce, CEA, and Agriculture or in independent agencies such as the International Trade Commission. It must also have available the means to procure, initiate, and assess outside research and to integrate the research analysis into an effective trade policy. USTR must also be able to rely on the participation and support of other trade-related agencies at all levels of the policy development process. To mitigate the burden of these requirements, USTR will identify its research needs well in advance and maintain a running calendar for agencies of the required reports, timetables, and the interagency cooperation requested.

The following goals are to be achieved between 1998 and 2002:

- Develop clear priorities for trade policy with specific steps and goals over the five-year period and beyond;

Key External Factor: The extension of fast track negotiating authority; if this authority is denied, a plan with new negotiating priorities will have to be drafted.

- Be able to explain fully, not only the Administration's trade policy and its priorities, but its underlying rationale and relationship to the President's broader policy objectives, e.g., potential for foreign market access and expansion of domestic economic opportunity, support for higher-wage jobs in the U.S., maintenance of high levels of environmental, health and safety protection, promotion of sustainable development, and extension of U.S. leadership and values, and
- Provide analytical support for the realization of the identified goals of U.S. trade policy. (See Key External Factors above regarding access to supplementary resources)

Annual Goals:

- Prepare an annual summary of U.S. trade policy and its underlying rationale in *The President's Trade Policy Agenda*;
- Fully reflect the Administration's trade policy and its underlying rationale in USTR's congressional testimony, written statements, reports to Congress, and other vehicles as appropriate; and
- Provide analytical support to USTR operational units concerning specific trade policy issues being addressed during the fiscal year.

Future Evaluations:

- Review annually the extent to which the trade policy agenda reflects criteria laid out for its prioritization (e.g., expected U.S. economic benefit, contribution to global trading system, expectation of negotiating success, consistency with legislative obligations).

General Objective: Formulate the trade policy of the United States to advance the national economic interest and reflect fully the views of the Executive Branch, the Congress, and the private sector.

Strategy 2: Lead the interagency coordination process and ensure that policy positions are developed with the full participation of trade and other relevant agencies.

USTR, by statute, coordinates the development and implementation of U.S. trade policy with the advice of an established interagency committee system. USTR also is a member agency of the National Economic Council (NEC), which is chaired by the President; the Trade Promotion Coordinating Committee (TPCC), headed by the Secretary of Commerce; the Committee on International Science, Engineering, and Technology (CISSET), chaired by the Under Secretary of State for Global Affairs; and the Committee for the Implementation of Textile Agreements (CITA), chaired by the Commerce Department. USTR is Vice-Chair of the Overseas Private Investment Corporation (OPIC) and a non-voting member of the Export-Import Bank Board of Directors.

Under USTR's interagency mechanism, U.S. trade policy positions are developed and approved by the Trade Policy Staff Committee (TPSC) and, as necessary, by the Trade Policy Review Group (TPRG). Seventeen member agencies are represented on these committees, with other agencies invited to participate when matters of interest to them are being considered.

The NEC makes up the final tier of the Administration's interagency trade policy system. It considers decisions from the TPRG, as well as particularly important or controversial issues.

During the interagency review stage, advice is generally sought from the private sector, the public, and Congress. As policy decisions are made, USTR assumes responsibility for directing their implementation. The interagency mechanism is used at all stages of decision making, starting with policy formulation and extending through the consultation, negotiation, approval, implementation, and enforcement phases of the trade agreements program.

As the scope of international trade policy issues has broadened in recent years, USTR has become increasingly involved in domestic regulatory issues, both at home and abroad. These issues arise both in the course of USTR-led trade activities and in other agencies' exercise of their regulatory responsibilities. Examples include trade-related health, safety, and environment issues; telecommunications services; and competition policy. In terms of coordination, this has meant that USTR has been dealing increasingly with U.S. federal domestic regulatory agencies, only some of which are members of USTR's interagency mechanism.

Outcome Goals:

- (1) U.S. trade policy reflects a broad consensus among all TPSC/TPRG member agencies;

- (2) Trade-related domestic regulatory issues and the appropriate interagency coordination are established, and there is a close working relationship with U.S. regulatory agencies in the policy development process and the negotiation of international agreements;
- (3) The work of the TPSC/TPRG trade policy making process and the promotion activities of the Trade Promotion Coordinating Committee (TPCC) are mutually supportive;
- (4) U.S. trade policy incorporates the views, consultation and information provided by all stakeholders, including the Congress;
- (5) Conflicts with trade objectives in U.S. domestic regulatory activities are avoided or resolved, and U.S. regulatory agencies participate in identifying discriminatory or unfair regulations or practices by trading partners. At the same time, care is given not to undermine the mandate of the regulatory agencies to protect health, safety and the environment.

Five-Year Strategic Goals:

- Strengthen the interagency coordination process, including broadening participation and/or membership to encompass agencies having responsibilities and constituencies relevant to the widening scope of issues on the U.S. trade policy agenda.

Key External Factor: USTR cannot guarantee interagency consensus. If agreement cannot be reached on a trade policy decision, then the issue will be dealt with in the NEC.

- Use the interagency process to coordinate the development of positions for negotiating and enforcement of all multilateral, regional, and bilateral trade and investment agreements.

Key External Factor: USTR cannot guarantee that agencies will provide the necessary resources to assist in the development and implementation of trade policy. In such cases, resolution at the cabinet level may be necessary.

- Identify trade-related regulatory issues appropriate for inclusion in international trade agreements, and therefore that should be coordinated through the TPSC/TPRG process;
- Provide regulatory agencies with input into legislative and rulemaking activities having trade policy implications, increase agency representatives' understanding of trade objectives and obligations, engage U.S. technical experts on scientific and technical information to verify discriminatory trade activities by other countries, and identify U.S. trade policy interests that may be affected by non-trade agreements and activities, while recognizing the need to preserve our health, safety and environmental standards.

Key External Factor: Each regulatory agency has its own distinctive mandate that may or may not include economic trade goals. There is no simple solution to the sometimes

conflicting objectives of trade agencies and regulatory agencies. In such circumstances, USTR may need to intensify its outreach to such agencies and, on occasion, may need to refer issues to the NEC.

- Increase the scope and depth of information and advice received from the private sector, nongovernmental organizations, labor organizations, and Congress in developing U.S. trade policy.
- Ensure that the TPSC/TPRG mechanism and the trade promotion process represented by the Trade Promotion Coordinating Committee (TPCC) serve to reinforce each other while still maintaining their discrete roles.

Annual Goals:

- Develop a more regular interagency process to resolve issues at the lowest appropriate level, require member agencies to participate at the designated level, properly reconcile interagency differences before policy decisions are completed and acted upon, and ensure affected agencies do not feel left out of the process.
- Make full use of the interagency process in developing policy for all agreements being negotiated and enforced during FY 1999, including agreements reached in the context of the FTAA, APEC, and the WTO. Ensure that all decision making documents include information and advice sought from relevant policy stakeholders.
- Reach agreement with Commerce on the appropriate way for USTR's resources to be reflected in the National Export Strategy developed by the TPCC.
- Reach agreement with State on the identification of those trade-related regulatory issues that are appropriate to be coordinated by the TPSC/TPRG process as opposed to issues to be coordinated through the State Department's coordinating authority, ensuring that USTR participates and clears positions with respect to any trade policy issues.
- Identify priority trade-related regulatory issues to be negotiated by USTR and other agencies, and lead or participate, as appropriate, in developing and implementing the trade policy issues.

Future Evaluations:

- (1) Surveys of TPSC/TPRG member agency views of the interagency trade policy process are undertaken; and
- (2) Recommendations of the National Performance Review concerning interagency coordination are implemented.

General Objective: Formulate the trade policy of the United States to advance the national economic interest and to reflect fully the views of agencies in the Executive Branch, the Congress, and the private sector.

Strategy 3: Engage Congress in the development of legislative initiatives, including grants of authority to implement trade and investment agreements.

While USTR is the lead coordinating agency responsible for the development of trade policy within the Executive Branch, it recognizes the important role Congress plays in setting trade policy objectives. As Congress proposes changes to U.S. trade policy and develops other legislation that has trade implications, USTR must collaborate with Members and committees to ensure the results coincide with the national economic interest.

This constructive interaction is accomplished through close consultation and communication with USTR's primary committees of jurisdiction, the House Ways and Means Committee and the Senate Finance Committee, and other Committees with partial jurisdiction over trade matters (see Appendix II). Working closely with Congress enables USTR to ensure that the development and implementation of U.S. trade policy is done in an informed and organized fashion.

Outcome Goals:

USTR must work closely with Congress to:

- (1) maintain appropriate authority to negotiate trade agreements, to challenge unfair trade practices and generally carry out the Agency's mission;
- (2) Consult with Congress on and seek approval of the Administration's trade agenda;
- (3) seek approval of specific trade agreements and implementing legislation, if necessary;
- (4) advise Congress on the Administration's support for or concerns with legislative proposals affecting the Administration's trade agenda or any U.S. international trade obligations;
- (5) provide technical and policy advice on legislative proposals affecting U.S. trade policy, when requested; and
- (6) secure confirmation of key personnel and negotiators mandated by statute.

Five-Year Strategic Goals:

In general, Congressional action is the predominant **Key External Factor** affecting USTR's ability to attain its goals and objectives. Congress may pass legislation facilitating a negotiation or mandating our participation in an international agreement. Alternatively, despite USTR's strategic engagement with Congress, Congress has the prerogative to pass legislation that may impede the Administration's trade objectives, violate U.S. international trade obligations, or prohibit/limit U.S. involvement in a particular negotiation. USTR uses strategic engagement with Congress as its tool to minimize the potential negative effects of Congressional action. USTR's regular communication with its committees of jurisdiction, Congressional leadership, and key trade Members and staff works to enhance our efforts to engage Congress on the development of legislative initiatives that advance U.S. trade policy.

The following goals are to be achieved between FY 1998 and FY 2002:

- Engage Congress to ensure the grant of fast track authority;

Key External Factor: Congress may not approve this authority or it may approve a more limited fast track authority than currently envisioned by USTR. If this is the case, USTR will need to consult with Congress to restructure its goals for multilateral, regional and bilateral negotiations and develop alternative strategies to achieve USTR's goals.

- Solicit from Congress the appropriations necessary to carry out USTR's functions and mission;

Key External Factor: Due to budget constraints, Congress may not be able or may not choose to fully fund the President's budget request for USTR. If this is the case, USTR will re-evaluate its priority list and five-year goals.

Annual Goals:

- Seek Congressional approval for reauthorization of the Generalized System of Preferences (GSP) program which expires of May 31, 1998, subject to the availability of pay-as-you-go offsets;
- Seek Congressional approval for legislation giving enhanced preferential trade benefits to the countries in the Caribbean Basin and Sub-Saharan Africa, subject to the availability of pay-as-you-go offsets;
- Seek Congressional approval for the OECD Shipbuilding Agreement, subject to the availability of pay-as-you-go offsets;
- Transmit all statutory reports to Congress in a timely manner; (See Appendix IV)

- Maintain regular and timely briefings of USTR committees of jurisdiction, and other relevant committees and staff on the following: personnel and organizational changes at USTR; reports and press releases issued by the agency; and the Administration's trade agenda, including progress on WTO disputes, multilateral and bilateral agreements, the WTO Built-In Agenda, multilateral and bilateral trade disputes/issues and potential trade disputes.

Future Evaluations:

USTR's Office of Congressional Affairs interacts regularly with the agency's committees of jurisdiction, key trade staff of the leadership, and other committees with partial trade jurisdiction. USTR hosts multiple briefings with the Hill.

Recognizing the difficulty in measuring "progress" in the area of engagement with Congress, USTR and its committees of jurisdiction jointly decided upon the following form of evaluation:

- Establishment of an annual consultation with USTR's committees of jurisdiction to discuss and solicit comment on the quality of both the process and the substance of USTR's communication with Congress.

General Objective: Negotiate trade and investment agreements to advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce and, where necessary, modify these agreements to ensure that the intended benefits are achieved.

Strategy 4: Negotiate trade and investment agreements that open foreign markets to goods and services of U.S. workers, agricultural producers, and other commercial interests; USTR also provides trade policy expertise in the negotiation of other agreements with trade policy implications.

The long term objectives and strategies for negotiating trade agreements were established in cooperation with Congress in successive legislative acts. Reorganization Plan No. 3 of 1979 and Section 1601 of the Omnibus Trade and Competitiveness Act of 1988 mandate that USTR will have the lead responsibility for the conduct of, and be chief U.S. representative for, international trade negotiations, including commodity and direct investment negotiations. By agreement, USTR and State co-chair the OECD's Multilateral Agreement on Investment and Bilateral Investment Treaty negotiations.

Section 141 of the Trade Act of 1974, as amended most recently by the Uruguay Round Agreements Act (URAA), gives USTR the lead responsibility for all negotiations on any matter under the auspices of the World Trade Organization (WTO). USTR is the principal representative of the United States at the WTO and in negotiating or in setting priorities for matters falling within its areas of jurisdiction in the OECD and UNCTAD. USTR maintains a Mission at the WTO in Geneva staffed by 9 employees (7 senior professionals, headed by a Deputy USTR, and 2 support staff). Personnel detailed from Commerce and Agriculture round out the Mission's staff.

USTR negotiates bilaterally or in regional fora with over 150 countries. The results of these negotiations, together with those in other international organizations and informal groups, must be consistent with U.S. trade policy objectives and WTO obligations.

Increasingly, USTR negotiators and their teams address a breadth of issues where trade policy or its implementation intersects with U.S. regulatory practices. This is one of USTR's fastest growing areas of work, demanding new subject matter and legal expertise (see Resources Section). The new areas include: health, biotechnology, food safety, environment, labor, natural resources, anti-trust, telecommunications, and financial services. In many of these areas, multilateral agreements become the mechanism by which governments negotiate trade facilitating measures which are then implemented by governments worldwide, often in advance of domestic regulations. A recent example is the Basic Telecommunications Agreement in the WTO.

In addition, USTR is increasingly asked to develop input for the negotiation or implementation of agreements with primarily non-trade objectives, including multilateral environmental agreements in which trade policy issues arise. There are at least nineteen multilateral environmental agreements or negotiating fora in which USTR plays a role. These existing and proposed trade-

related provisions and issues vary considerably from agreement to agreement. Each has to be considered in its specific context. Such provisions can be critical to achieving the objectives of the agreement. In other instances, inappropriate trade-related provisions or policies have been proposed and the United States has opposed them.

New barriers and distortions to trade as a result of internal and regulatory practices of U.S. trading partners often require a new approach to negotiating trade agreements. This approach also applies to circumstances where existing international disciplines fail to protect U.S. international interests. In these cases, plurilateral and regional agreements that reinforce or go further than agreements negotiated multilaterally are negotiated first with like-minded countries. These sectoral agreements may be incorporated later into the WTO if enough countries agree to market access and enforcement disciplines. The Information Technology Agreement (ITA) is an example of this negotiating strategy applied initially in the tariff context.

USTR does not lead negotiations on agreements with non-trade objectives. However, consistent with its trade policy responsibilities, including the 1988 Trade Act's mandate that it take responsibility for advising the President on the impact of other U.S. government policies on international trade, USTR plays the lead role in providing trade policy input in developing negotiating positions and often in the negotiations themselves. The objective of this participation is to ensure that the trade policy dimensions of decisions are understood and appropriately taken into account to attain the optimal choices. This policy coordination between trade and other officials is recognized as an important means of strengthening the multilateral trading system in its effort to support sustainable development. The United States encourages its trading partners also to undertake such coordination domestically.

General Objective: Negotiate trade and investment agreements to advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce and, where necessary, modify these agreements to ensure that the intended benefits are achieved.

Strategy 4: Negotiate trade and investment agreements that open foreign markets to goods and services of U.S. workers, agricultural producers, and other commercial interests; USTR also provides trade policy expertise in the negotiation of other agreements with trade implications.

Sub-strategy 1: Multilateral negotiations

USTR leads interagency teams that represent the United States in the WTO, OECD, UNCTAD, and OAS Special Committee on Trade and that negotiate international commodity agreements; USTR also serves on teams that negotiate multilateral environmental agreements. Of these fora, the most important from the trade perspective is the WTO, created as part of the Uruguay Round. As is evident from the WTO built-in agenda and committee work (see Appendix VII), the breadth of issues is substantial, covering such areas as: goods market access; rules governing trade in goods; institutional issues including accession and dispute settlement; services; trade and the environment; and protection of intellectual property rights. Other issues are not yet covered fully by the WTO, such as labor standards, investment, competition, bribery and corruption, and biotechnology. U.S. regional initiatives, such as APEC and FTAA, follow a similar but not identical pattern that enables the United States to pursue a consistent strategy across fora and draw on the expertise of other international bodies (e.g., the OAS and OECD) for analytical and policy-oriented contributions. Agreements are also negotiated in the OECD (e.g. shipbuilding or the on-going Multilateral Agreement on Investment.) Together, these efforts serve to strengthen the international trading system.

USTR coordinates interagency monitoring of compliance with WTO and bilateral agreements and develops negotiating positions to resolve trade issues consistent with these agreements. They improve or expand the scope of WTO agreements as outlined in the built-in agenda resulting from the Uruguay Round and in subsequent mandates of the WTO. In order to ensure the long-term economic interest of the United States, the Administration has adopted several overarching principles, including the requirement that the system of WTO rights and obligations be applied consistently to all member governments, thereby eliminating the potential “free-rider” benefits to other countries that do not undertake the commensurate obligations. Similarly, the Administration has prescribed that all transition periods in WTO agreements will expire no later than 2005. This approach also guides our position towards expanding membership of the WTO on commercially viable terms to the 29 applicants now pending. Using the WTO as its foundation, this approach is a critical element of U.S. strategies for negotiating bilaterally and in other fora. It also requires the dedication of resources to ensure compliance with WTO rules.

Outcome Goals:

- (1) Secure agreements that further U.S. trade policy objectives and strengthen the multilateral trading system in a manner that enhances U.S. competitiveness and ensures the opportunity for further market opening initiatives among like-minded countries;
- (2) Assure, by the end of the UR transition periods, minimum standards of uniform behavior enabling effective implementation of agreements or recourse to dispute settlement;
- (3) Use the leverage of U.S. participation in regional fora to multilateralize the rules and disciplines necessary to respond to U.S. needs and interests;
- (4) Expand the scope and country coverage of the trading system;
- (5) Ensure that the WTO continues to be a forum for ongoing trade liberalization, negotiation, and dispute resolution;
- (6) Improve coordination with international organizations where USTR has lead or other responsibilities using the USTR mission in Geneva, the trade policy position designated for USTR at USEU in Brussels, and designated officers at U.S. Missions to the OECD and to the European Headquarters of the UN (for UNCTAD, WIPO, ITU);
- (7) Advance U.S. economic interests internationally in a timely manner in sectors where existing international rules do not adequately address U.S. concerns; and
- (8) Integrate U.S. international trade strategies into domestic economic reform initiatives.

Five Year Strategic Goals:

- Initiate preparatory work and negotiations on issues as required by the WTO's built-in agenda and other issues of interest to the United States.

Key External factors: Consensus of trading partners on issues of concern; Congressional approval of fast track authority. In the absence of consensus, develop alternative approaches consistent with U.S. objectives in consultation with Congress.

- Maintain momentum for continuous trade liberalization and credibility of the WTO system by securing agreements for sectoral trade liberalization and responding to current commercial realities.

Key External factors: Extent to which U.S. can continue to persuade countries not to "save" liberalization for a global round of negotiations and build necessary international consensus; agreement by a critical mass of countries to sectoral liberalization; and U.S. legislative authorities. In the absence of consensus, consult with Congress to develop alternative approaches consistent with U.S. objectives.

- Achieve full and effective implementation of Uruguay Round Agreements and complete transition periods.
- Conclude WTO accession negotiations with a substantial number of countries seeking membership.

Key External Factors: Ability of trading partner to agree to a commercially viable accession package that will ensure enforcement of WTO rules and provide meaningful market access; U.S. ability to make commitments to provide unconditional MFN treatment to such countries.

- Use U.S. participation in other international organizations, such as the OECD, to negotiate agreements with like-minded countries to advance U.S. commercial trade and investment.

Key External factor: Agreement within the U.S. government, after consultation, on approaches; in the absence of such agreement, consultation with Congress on other venues for pursuing such interests and promotion of potentially supportive and contributing roles for other organizations.

- Secure the necessary analytical work for negotiating trade agreements or obtaining consensus for U.S. negotiating objectives through effective U.S. participation in international fora, such as UNCTAD and the OECD.

Key External Factor: Ability to dedicate resources to clearly define U.S. positions and needs; consensus of trading partners on issues of concern. In the absence of resources or consensus, work to build support for both over longer term and resist efforts by others to generate analytical work contrary to U.S. commercial interests.

- Build on the substantial improvements to the WTO system in line with Congressional mandates, such as the operation of the Secretariat and budget reforms that were established at the start of the WTO; ensure U.S. budgetary contributions are paid in full and the overall budget reflects U.S. priorities.

Key External Factor: U.S. ability to address WTO arrearages and other budgetary issues must be resolved in cooperation with the Department of State in the context of the overall U.S. approach to international organizations, a circumstance that has arisen despite the fact that the WTO was deliberately established as an independent international organization unrelated to the UN system. In the absence of a full resolution, continue to strive on an ad hoc basis to direct sufficient budgetary contributions to WTO to sustain U.S. credibility and trade priorities;

- Promote transparency of the WTO and encourage other governments to increase the transparency of their WTO-related activities;

- Initiate and support analytical work at the international level on the relationship between trade and international agreements with non-trade objectives; and
- Initiate, as necessary, steps to establish and maintain a fair international environment in sectors where existing international rules do not adequately protect U.S. economic interests, either in whole or in part.

Annual Goals:

WTO - General

- Utilize WTO rules and procedures to resolve trade problems that arise without recourse to dispute settlement, if possible, and pursue effective monitoring and enforcement of agreements using the WTO committee structure and, where appropriate, regional fora to address notifications, transitions, and other issues in conjunction with satisfying U.S. notification requirements on a timely basis. Effective U.S. representation is required within each committee, and USTR must coordinate the development of positions through the interagency process in order to fairly and satisfactorily promote U.S. interests.
- Complete required submission of Annual Report on the Operation of the WTO to the Congress, bearing in mind the statutory requirements regarding consultation and increasing transparency of the WTO.
- Pursue negotiation of appropriate sectoral market-opening agreements with interested trading partners in the Asia-Pacific Economic Cooperation (APEC) forum, the Free Trade Area of the Americas (FTAA) and other organizations, with a view towards finalizing agreements under the aegis of the WTO.
- Achieve, at the October 1997 High-Level Meeting for Least-Developed Countries, an integrated technical assistance coordination plan for the least-developed countries, drawing on the expertise of other international institutions.
- Achieve a successful WTO Ministerial Meeting (May 18-20, 1998) that reflects U.S. trade policy interests and priorities, consistent with objectives in other fora.
- Advance the U.S. agenda through U.S. participation in other international organizations, particularly the Trade Committee of the OECD, where USTR provides leadership, and, to the extent possible, UNCTAD, particularly in the areas of investment, labor standards, environment, and competition, and the OAS Special Committee on Trade to ensure continued Hemispheric support for the FTAA.

WTO - Specific Negotiating Goals

Goods Market Access

- Monitor compliance of UR commitments through the Market Access Committee and institute an integrated database for use in facilitating liberalization.
- Initiation of further sectoral negotiations such as pursuant to the Information Technology Agreement (ITA) , and ITA II beginning 10/1/97 with implementation as of 1/1/99.
- Utilize sectoral and other appropriate negotiating approaches -- including ITA -II-- to negotiate the removal of tariff and non-tariff market access barriers for Internet goods and services, in accordance with the President's initiative on Global Electronic Commerce.

Rules Governing Trade in Goods

- Initiation, pursuit or completion of ongoing work involving the improvement or review of implementation and operation of Agreements on Pre-Shipment Inspection, Import Licensing, Technical Barriers to Trade, Customs Valuation, and Subsidies as well as the provisions governing state trading.
- Rules of Origin: By 12/31/97, the World Customs Organization aims to complete its work for harmonization negotiations in the WTO, which are to conclude 7/20/98.
- Antidumping: Initiate multilateral review of special standard of review in AD disputes on 1/1/98.
- Industrial Subsidies: By 2/1/98, successfully complete annually mandated Commerce/ USTR report to the Congress on foreign subsidy practices.
- Balance-of-Payments: Continue regular consultations with India and eight other countries to minimize the unwarranted recourse to BOP-based import restrictions.

Textiles

- Ensure the effective enforcement of WTO Agreement commitments, and bilateral market access commitments, by our trading partners, related to lowering of tariff barriers, elimination of non-tariff barriers, and other steps to achieve market access opportunities for U.S. exports. Ensure that technical barriers to trade do not disrupt access to foreign markets by U.S. exporters.
- Undertake a review of the integration and implementation process, as required by the Agreement.
- Negotiate new quota safeguard actions if surges in imports require such.

- Negotiate with trading partners to ensure proper implementation of trade agreements, particularly with respect to anti-circumvention measures and other non-safeguard trade agreement obligations.
- Ensure the proper implementation of integration commitments, due to be effective on January 1, 1998, under the WTO Agreement on Textiles and Clothing;
- Monitor compliance with WTO tariff commitments and non-tariff barrier commitments, including notification requirements, by our trading partners in the textile and apparel sector;
- Ensure appropriate technical support is provided for WTO Rules of Origin Harmonization effort; complete outstanding notification requirements.

Agriculture

- Ensure that an effective preparatory process is in place to enable negotiations to begin on the next stage of reform before the end of 1999, as required by the Agreement on Agriculture.
- Use the WTO Agriculture Group on Analysis and Information Exchange to evaluate the effectiveness of the Uruguay Round mechanisms - tariff-rate quotas, export subsidy ceilings, disciplines on domestic support - with a view to improving these mechanisms or developing new ones for liberalizing trade in the next phase of negotiations.
- USTR will pursue effective implementation of Agriculture commitments and, where appropriate, bring WTO dispute settlement cases to strengthen weaknesses in current WTO rules and obligations in agricultural trade.
- Sanitary & Phytosanitary Measures: Committee begins, on 1/1/98, a required three-year review of Agreement and identifies areas for improvement or agreement, to be completed 1/1/99.

Institutional Issues Including Accessions and Dispute Settlement

- Accessions 1997-98: Successful conclusion of commercially viable accession agreements with one or more of the accession applicants, and substantial progress in other active negotiations.
- Trade Policy Review Mechanism: Use the upcoming reviews to confirm or reinforce compliance with WTO obligations and promote respect for the rules-based system.
- Regional Trade Agreements: 1997-98: Conduct agreement by agreement reviews to ensure consistency of regional trade agreements (goods and services) with WTO rules

governing such provisions, in keeping with biennial reporting requirements to provide continued oversight of regional agreements.

- Institutional Reform: Complete review of WTO conditions of service and improvements to staff rules for Secretariat, including the system of salaries and pensions.
- Dispute Settlement: By 12/31/98, complete the review of Dispute Settlement Understanding and take appropriate action in line with U.S. objectives.

Services

- Financial Services: By 12/12/97, conclude extended negotiations on financial services in line with U.S. negotiating objectives or take alternative course of action.
- Professional Services: By 12/31/97, complete development of rules for domestic regulation of accountancy. Ongoing goal is to develop rules for other professional services so as to remove or alleviate barriers to international practice.
- Services Rules: By 1/1/98, conclude consideration of possible safeguards disciplines now being considered by GATS Rules Working Group or take alternative course of action.
- Basic Telecommunications: By 1/1/98, achieve effective implementation of the agreement by all signatories.
- Ongoing: Preparatory work for extensive negotiations that are to begin 1/1/2000 to expand commitments on services.

Trade and the Environment

- Building on the analytical work of the OECD and UNCTAD, develop a better understanding of the relationship between trade and environment and the role of the WTO in ensuring that the two are mutually supportive, through, e.g., the Committee on Trade and Environment and the Trade Policy Review Mechanism.
- Work to clarify the relationship of GATT/WTO rules to measures needed to protect health and safety and conserve natural resources.

Intellectual Property Rights Protection

- Monitor implementation of existing obligations by other countries; bring dispute settlement actions where appropriate;
- Ensure that developing countries are taking steps now to ensure full implementation of their TRIPS obligations that come due on 1/1/2000; USTR will also take steps to

accelerate this implementation wherever possible;

- 1997-98: Successfully coordinate within OECD the review of provisions allowing exclusion from patentability of plants and animals other than microorganisms;
- By 12/31/97, TRIPS Council completes its review of geographical indications.
- Ongoing: Preparatory work for negotiations that are to begin in 1998 on clarifying patent protection for biotechnology products.

WTO - Issues for Forward Agenda Identified at Singapore Ministerial

Trade and Competition & Trade and Investment

- 1/1/99: Final reports of study program to General Council and possible identification of issues that may merit further consideration in WTO.

Trade and Labor Standards

- Pursue labor standards in the context of the Trade Policy Review Mechanism and increase coordination with ILO; and
- Use other fora, primarily ILO and OECD, to advance analytical work on trade-related labor issues, bearing in mind the statutory requirements of the URAA.

Trade Facilitation

- Successfully use trading partners' interest in this issue to first advance necessary work on rules of origin, valuation and pre-shipment inspection, and use the Singapore mandate to explore possible WTO contributions to the GEC Initiative.

Transparency in Government Procurement

- Successfully identify possible elements for an eventual agreement by 12/31/97 and begin negotiations in 1998.

WTO - Plurilateral Trade Agreements

Government Procurement

- 1997-98: Initiate negotiations to improve agreement and extend coverage, while reviewing continued necessity of provisions providing special and differential treatment to developing countries.

Agreement on Trade in Civil Aircraft

- Preserve U.S. rights in any rectification of the Aircraft Agreement with GATT 1994.

OECD and UNCTAD - Specific Negotiating Goals

- 12/31/97: Attain agreement on bribery and corruption by participating in a State Department-led negotiation of an international convention.
- 5/98: Resolve OECD negotiations on Multilateral Investment Agreement consistent with U.S. negotiating objectives.
- 1997-98: Revive OECD work on trade and labor standards as called for in the 1997 Ministerial Communiqué.
- 1997-98: Launch an OECD analysis of the size of international government procurement markets, which will support U.S. efforts on the issue at the WTO.
- 1997-98: Ensure that OECD work on trade liberalization complements U.S. objectives, particularly by examining the interests and concerns of workers.
- 1997-98: Successfully coordinate within OECD the review of provisions allowing exclusion from patentability of plants and animals other than microorganisms, which will be considered in the WTO the following year.
- 1997-98: Reorient the work of the OECD Committees to focus more efficiently on trade policy questions, possibly by pursuing reorganization of the institution, e.g., merging various directorates such as Trade, Industry, and Agriculture.
- Ongoing: Use various OECD Committees and Agreements (such as the Codes on Invisibles and Multinational Enterprises), the Trade Committee and its joint Committees dealing with Trade and Competition, Trade and Agriculture, and Trade and Environment, and the Steel Committee to advance consideration of issues in a multilateral context.
- Implement fully the Agreement on Shipbuilding, including passage of shipbuilding legislation in the Congress, subject to pay-as-you-go-provisions.
- On-going: Pursue aggressively the OECD program on regulatory reform adopted by Ministers in 1997.
- Use U.S. participation in UNCTAD to build consensus and develop analytical work in areas such as environment, investment, and initiatives to combat bribery and corruption.

OAS Special Committee on Trade

- Ensure that OAS activities are fully consistent with U.S. objectives for the FTAA.

Non-trade Negotiations and Commodity Agreements - Specific Negotiating Goals

- Provide trade policy input to various “non-trade” (e.g., environmental) negotiations that are underway.
- Ensure that any trade-related provisions in “non-trade” agreements are well designed to achieve their objective without causing unintended undesirable effects.
- Ensure that the International Natural Rubber Agreement continues to operate in a more market-oriented manner;
- Improve the efficiency and accountability of the International Tropical Timber Organization;

Future Evaluations:

- (1) Seek views of private sector advisory committees and Congressional committees of jurisdiction on the status of work in each area in meeting U.S. national interests and specific sectoral interests.
- (2) 1/1/01 -- Sec. 125 of the URAA requires the USTR to report on the operation of the WTO after the end of the 5-year period beginning on the date on which the WTO Agreement enters into force for the United States and every five years thereafter. The report is to focus on the WTO’s effects on U.S. interests, the costs and benefits of U.S. participation and the value of continued participation.
- (3) Review the required statutory support for Agreements secured, pursuant to Sec 115 of the URAA, and other mandates as required by the Statement of Administrative Action (SAA).
- (4) Review and appraise the degree of U.S. success in enforcing U.S. rights and defending U.S. interests through WTO mechanisms and resolving problems, including through dispute settlement.

General Objective: Negotiate trade and investment agreements to advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce and, where necessary, modify these agreements to ensure that the intended benefits are achieved.

Strategy 4: Negotiate trade and investment agreements that open foreign markets to goods and services of U.S. workers, agricultural producers, and other commercial interests; USTR also provides trade policy expertise in the negotiation of other agreements with trade implications.

Sub-Strategy 2: Regional, bilateral, and plurilateral negotiations

We cannot fully confront the competitive challenges we face or open the major emerging markets around the world without an aggressive, reciprocity-based push on all fronts.

USTR leads interagency U.S. Government teams in bilateral, plurilateral, and regional negotiations concerning market access for: U.S. goods (including agricultural goods), services, and investment; WTO compliance; GSP eligibility standards; intellectual property rights (IPR) agreements; and investment issues. These negotiations must be consistent with overall U.S. policy objectives, including the promotion of core labor standards and the support of sustainable development; current multilateral, regional, or bilateral agreements, and all higher standards that new agreements have established. This requires a high degree of coordination among the different sections of USTR and among the relevant agencies in the federal Government (e.g., in the identification of issues deserving of attention). The primary responsibility for ensuring proper coordination lies with the USTR negotiating leads working through the interagency mechanism.

Regionally, the Latin America and Caribbean and Asia-Pacific Regions -- which are experiencing the fastest economic growth-- have been a major focus of recent U.S. trade policy efforts. In addition, increased attention has been given to market opening in the Transatlantic Market Place initiative supported by the Transatlantic Business Dialogue process, a new effort to expand trade with Africa, and agreement in the APEC forum to identify new product areas for sectoral negotiations.

While sectoral initiatives, e.g., the Information Technology Agreement, have succeeded in ensuring that the U.S. industries that are global competitive leaders will enjoy export success commensurate with their competitive position, we recognize that certain problems can only be addressed effectively, and with a degree of specificity, on a bilateral basis.

Outcome Goals:

- (1) Resolve problems, especially market access impediments and other unfair or restrictive trade practices and problems of discrimination or other unfair treatment of U.S. goods, services, investments, and IPR;

- (2) Lead, co-chair or participate in U.S. regulatory bilateral and sectoral activities to advance U.S. trade policy objectives;
- (3) Ensure consistency with the disciplines and obligations of the WTO by all member countries;
- (4) Enhance the application of international trading rules to U.S. objectives and priorities through additional sectoral liberalization and adaption of higher standards of conduct in specific sectors;
- (5) Obtain acceptance by our trading partners of U.S. objectives, priorities, and timetables for bilateral and regional negotiations;
- (6) Ensure that sanitary and phytosanitary (SPS) measures are based on scientific evidence and are applied only to the extent necessary to protect human, animal, or plant life or health;
- (7) Establish a fair international trade environment in steel, semiconductors, automobiles, commercial aircraft, electricity, space launch vehicles, and other sectors where international rules may not adequately address international challenges; and
- (8) Renew or negotiate new bilateral textile agreements with non-WTO Member countries to protect the U.S. market against disruptive surges in imports; negotiate anti-circumvention measures.

Five Year Strategic Goals:

Key External Factors: Achievement of these projected goals may be greatly affected by conditions beyond the control of our agency, e.g., currency and price movements, economic and financial issues, and political crises such as abrupt shifts in foreign policies or politics. To mitigate these factors, individual objectives of negotiations may have to be altered.

APEC/Asia

- **APEC Implementation:** Meet objectives of moving the APEC economies concretely toward implementing the Bogor Goals of free and open trade and investment in the Asia-Pacific region;
 - 1) Secure APEC support for significant sectoral liberalization initiatives, that result in major improvements in market access, e.g., environmental services and technologies, chemicals, medical equipment and services, energy-related equipment and services, autos, as well as natural resource-based and agricultural products.
 - 2) Ensure concrete improvements in countries' "individual action plans" (IAP), i.e., movement toward the Bogor goals of free and open trade and investment within APEC

economies, as well as establishing a process for ensuring greater comparability of the IAPs (ensuring that all APEC economies are undertaking such liberalization in a comparable manner);

3) Ensure development of collective action plans according to the Osaka Action Agenda that contribute concretely and significantly to trade and investment liberalization and facilitation in the region. Specifically:

- o Through the Subcommittee on Standards and Conformance, achieve greater transparency in standards and conformity assessment in APEC economies, greater alignment of regional standards with international standards, greater mutual recognition of standards among APEC economies, and the development of the technical infrastructure for standards in the region;
- o Through the Subcommittee on Customs procedures, ensure adherence in the APEC region to the principles of facilitation, accountability, consistency, transparency, and simplification in the administration of customs procedures, including the development in all APEC economies of clear appeal procedures and advance tariff classification rulings by 2000. Also ensure adherence to customs related international agreements, including the WTO customs valuation agreement, and the customs provisions of the TRIPS agreement, by 2000.
- o Through the Investment Experts Group, undertake actions that promote and achieve the liberalization of APEC economy investment regimes, by inter alia, progressively providing for national treatment and ensuring transparency.
- o Through the Group on Services, promote and achieve greater liberalization on regional trade in services, and the progressive improvement of commitments under the General Agreement on Trade in Services;
- o Through the Government Procurement Experts Group, promote and achieve greater transparency in the procurement regimes of APEC member economies, and greater participation by APEC members in the WTO government procurement agreement.
- o Through meetings in the groups on Competition Policy and Deregulation, promote and achieve the development of competition policy and laws in APEC economies, greater transparency in national regulatory regimes, and the elimination of trade distortions arising from domestic regulations in APEC member economies.
- o Through meetings of intellectual property experts, develop programs to ensure the progressive improvement of IPR regimes in APEC economies, including rapid and full implementation of the TRIPS agreement;.
- o Through the Dispute Mediation Experts Group, facilitate and encourage the use of

procedures for the timely and effective resolution of disputes between private entities and governments, and disputes among private parties in the APEC region, and ensure the increased transparency of government laws, regulations, and administrative procedures with a view toward reducing and avoiding disputes regarding trade and investment matters.

4) Make effective use of the APEC process to secure support for broader U.S. multilateral objectives and initiatives in the WTO;

- **WTO Accession and Consistency:** Encourage accession by non-WTO member countries in the region on commercially meaningful terms, i.e., Vietnam, Laos and Cambodia and ensure adherence to the disciplines and obligations of the WTO for all Asian and Oceania countries, particularly Indonesia, the Philippines, Korea, Australia and India;

Key External Factor: Adverse WTO panel rulings; willingness of non-WTO members to accept WTO disciplines and commitments. Mitigation will depend upon the outcome of the panel rulings..

- **Market Access:** Reduce barriers for industrial and agricultural goods, services, and investment across range of Asian economies, especially in Korea, India, Australia and all ASEAN countries;
- **Regulatory Reform:** Negotiate structural reform where necessary, e.g., Korea and ASEAN, to achieve improved market access and reduce anti-competitive economic behavior adversely affecting U.S. export interests;
- **IPR Protection:** Negotiate to achieve TRIPS-plus commitments in the following: Australia, Korea; TRIPS consistency, and in some cases TRIPS-plus commitments in the following: India, Pakistan, ASEAN, and Indo-China;
- **Investment Protection:** Increase the number of BITs in the region;
- **FTA Negotiations:** Fast track permitting, decide whether to pursue FTA negotiations with countries that would further our bilateral and regional trade liberalization objectives and/or that have expressed an interest in such negotiations--e.g., Australia, New Zealand and Singapore.
- **Enhanced Rule of Law:** Negotiate statutory, regulatory, and policy changes in countries such as Korea, India, and ASEAN members that discourage corruption and the infringement of IPR, and encourage transparent government procurement, customs administration, standards setting and conformity assessment;
- **Sanitary and Phytosanitary (SPS) Measures:** Ensure that SPS measures are based on scientific principles

- Export Subsidization: Work with Australia to ensure that it eliminates its export subsidies by the year 2000 and that any replacement programs are WTO consistent.
- Improved Worker Rights: Advance provision of internationally recognized workers rights, particularly in Indonesia and Indo-China;
- Encourage cooperative environmental initiatives among APEC countries; and
- Normalize trade relations with Vietnam and Laos by concluding trade agreements that provide effective market access for goods and services, and effective IPR and investment protection; secure Congressional approval for MFN on the basis of such agreements (assuming other non-trade conditions for granting of MFN are also met) and subject to the availability of pay-as-you-go offsets for Laos.

Western Hemisphere

- Initiation of comprehensive negotiation of the Free Trade Area of the Americas (FTAA) on all issues identified in the Miami Summit Declaration and on additional issues of interest to the United States;
- Negotiation of preliminary texts for each chapter of the FTAA;

FTAA Working Groups and Negotiations: Ensure the successful evolution of the FTAA Working Groups into a satisfactory organization of negotiating groups. Successive ministerial meetings since the Miami Summit of the Americas have mandated the various FTAA working groups to lay the groundwork for the launch of the negotiations. Among the key U.S. Government goals for the FTAA negotiations are to:

- Secure full market access through the elimination of tariff and non-tariff barriers throughout the hemisphere;
- Eliminate impediments to provision of services;
- Open government procurement through improved transparency, national treatment and open competition on a reciprocal basis;
- Achieve state of the art protection for foreign investment;
- Improve on both NAFTA and WTO IPR protection, and define effective protection for IPR in the context of new technologies (e.g., digital transmission of information, and biotechnology);
- Improve customs procedures to facilitate hemispheric trade.

Key External Factor: Congressional grant of trade agreement implementing authority--so-called fast track authority. If fast-track authority is not obtained, USTR, in consultation with other agencies, will have to review this goal and approach the negotiation differently.

- Conclusion of bilateral free trade agreements with at least two major Latin American trading partners or sub-regional integration arrangements (e.g., MERCOSUR or Central American Common Market);

Key External Factor: Fast track authority and the agreement of such trading partners to enter an FTA with the United States;

- Resolution of bilateral market access and other unfair trade practices with our major trading partners in the Hemisphere, especially Canada, Mexico, Brazil, Argentina, Venezuela, and Colombia;
- Implementation of the NAFTA by all three parties and resolution of disputes in a manner favorable to the United States;
- Implementation of the North American Agreement on Environmental Cooperation, including a constructive trade and environment agenda and effective coordination between trade and environment officials of the three parties; and
- Implementation of the North American Agreement on Labor Cooperation, including effective coordination between trade and labor officials of the three parties.

Europe/Middle East

- Complete commercially significant sectoral market-enhancing commitments with the European Union under the Transatlantic Agenda;
- Continue intensive discussions with the Trans-Atlantic Business Dialogue (TABD) to develop initiatives with the EU that will lower barriers to trade;
- Resolve major outstanding agricultural disputes with the European Union;
- Preserve and enhance U.S. markets in Central and Eastern Europe in the face of preferential treatment given to EU suppliers via the Europe Agreements;
- Press bilaterally for changes to the trade and intellectual property regime in Saudi Arabia that will facilitate Saudi Arabia's entry into the WTO on terms that afford significant market access to U.S. exports;
- Continue to expand U.S. market access to Israel through consultations in the Joint Economic Committee, established under the U.S.-Israel Free Trade Agreement;

- Assure access to EU/Middle East markets for the rapidly growing number of bioengineered agricultural products of the United States; and
- Ensure the creation of trading systems in the Middle East and North Africa that will allow increased U.S. market access and support the pursuit of peace in the Middle East.

Japan

- Reduce formal and informal barriers to market access by negotiating new commercially significant sectoral trade agreements with Japan;
- Work to renew or extend agreements, including telecommunications (NTT), autos, semiconductors, and glass, that will expire by the end of 2000;
- Negotiate deregulation measures in four priority sectors: telecommunications, medical equipment, financial services, and housing/construction;
- Enhance market access by vigorously enforcing existing 30 bilateral trade agreements;
- Extend new Deregulation Initiative to cover such issues as electric utilities and standards;
- Reduce market access barriers by negotiating new agreements on structural issues, including distribution and transparency;
- Use the WTO dispute settlement process to improve market access in Japan and to discourage other countries from establishing or maintaining informal trade barriers similar to those in Japan; and
- Pursue multilateral initiatives, including in the WTO and APEC, that improve market access in Japan and other countries.

China, Hong Kong, and Taiwan

- **China WTO:** Conclude a commercially meaningful WTO accession package with China that provides both effective market access for U.S. goods and services and conformity to international trade norms. Key factors include market access in sectors where the U.S. is competitive, such as agriculture, electronics, medical devices, pharmaceuticals, and services (including distribution, telecommunications and insurance).

Key External Factors: 1. Willingness of China to make commitments to open markets to U.S. exports and abide by the rules of the WTO. 2. Support from other WTO members for China accession. 3. Support of the U.S. Congress for China's WTO accession.

Ensure effective implementation of WTO accession commitments by China.

Key External Factors: Will depend on whether China is able to accede to the WTO and then whether China violates its WTO commitments.

Actively undertake WTO dispute settlement cases against China when appropriate to achieve U.S. trade objectives.

- Taiwan WTO: Negotiate a WTO accession package with Taiwan with commitments equivalent to those of a developing country both in rules and market access. Key factors include: agriculture, cigarettes, rice wine and tariff staging.

Key External Factors: 1. Willingness of Taiwan to make commitments to open markets to U.S. exports and abide by the rules of the WTO. 2. Support from other WTO members for Taiwan's accession. 3. Support of the U.S. Congress for Taiwan's WTO accession.

Ensure effective implementation of WTO accession commitments by Taiwan.

Key External Factors: Will depend on whether Taiwan is able to accede to the WTO and then whether Taiwan violates its WTO commitments.

Actively undertake WTO dispute settlement cases against Taiwan when appropriate to achieve U.S. trade objectives.

- China: In light of the trade imbalance with China, pursue multilateral initiatives, including in the WTO and APEC, to improve market access for U.S. goods and services, particularly agriculture, electronics, medical devices, pharmaceuticals, and services.

Enhance rule of law in China through WTO accession negotiations and enforcement of our bilateral agreements by, for example, increasing transparency and uniformity in China's trade regime.

Ensure that China abides by internationally recognized sanitary and phytosanitary standards through bilateral negotiation and enforcement of previous bilateral agreements, such as, for example, the U.S.-China 1992 Market Access Memorandum of Understanding.

Improve IPR protection and market access in China for U.S. IPR industries by closely monitoring implementation of the existing 1995 and 1996 bilateral IPR agreements and negotiating new agreements as appropriate.

Monitor trade flows with China with the objective of improving the balance of economic benefits.

- Taiwan: Ensure enforcement of the 1996 bilateral agreement for market access for medical equipment.

- Monitor implementation of the 1996 IPR agreement and secure IPR protection in Taiwan.
- Pursue improved market access for key U.S. exports to Taiwan including pharmaceuticals, medical devices, agricultural products, petroleum products and glass.
- Negotiate a Bilateral Investment Agreement with Taiwan.
- Hong Kong: Maintain appropriate bilateral trade relationship with Hong Kong in its new status as a special administrative region of the People's Republic of China.
- Improvement of IPR protection in Hong Kong which will result in the removal of Hong Kong from USTR's Special 301 Watchlist for IPR violations.
- Negotiate a bilateral investment agreement with Hong Kong.
- Cooperate with Hong Kong on various WTO and APEC initiatives to demonstrate the independence of the Hong Kong government.

Africa

- Implement the President's "Partnership for Economic Growth and Opportunity in Africa" Initiative and the relevant provisions of the "African Growth and Opportunity Act," subject to the availability of pay-as-you-go offsets.

Key External Factor: Increased trade and investment flows are dependent on the continued progress of African countries towards economic and political reform. If Congress does not pass the proper legislation, then there will not be sufficient authority to implement expanded market access provisions of the President's initiative.

- Increase African participation in the international trading system;
- Encourage African countries to assume additional WTO obligations and continue economic reform programs; and
- Ensure that U.S. trade policies contribute to African economic development.

Annual Goals:

APEC/Asia

- Achieve concrete progress toward APEC Bogor goals by building support both within formal APEC bodies such as the Committee on Trade and Investment (CTI) and the Senior Officials Meeting (SOM) as well as through informal groupings for effective market-opening programs in the following areas: Individual Action Plans, sectoral liberalization, collective action plans in the 14 Osaka Action Agenda areas, and support

for U.S. objectives in WTO.

- o Achieving support for early sectoral liberalization in APEC that concretely improves market access in several key sectors of interest to the United States: for example, chemicals, energy-related equipment and services, medical equipment and services, oilseeds and oilseed products, automotive, natural-resource based products, environmental technologies and services, or MRAs for telecommunications and information technology equipment.
- o Achieving APEC support for building on the success of the Information Technology Agreement by expanding product coverage, expanding the Agreement to ensure a tariff-free environment for goods and services transmitted over the Internet, further work in the area of non-tariff barriers, including in the area of standards, and possible acceleration of duty reductions.
- o Secure appropriate APEC support for the Global Electronic Commerce Initiative.
- o Ensuring the Individual Action Plan (IAPs) are revised to be more transparent, more liberalizing, and more comparable among APEC members;
- o Achieve APEC support for WTO objectives, in particular, successful conclusion of financial services negotiations.
- o Assure that APEC collective actions in key Osaka Action Agenda areas significantly promote trade and investment liberalization and facilitation, including:
 - Improvement of APEC customs regimes through the work of the Subcommittee on Customs Procedures, including actions to simplify customs procedures such as the early implementation of Kyoto Convention principles, training courses for adoption of WTO customs valuation standards, agreements to facilitate express delivery services, and the development of common data elements required by customs officials;
 - Improvement of APEC intellectual property regimes, through the work of the intellectual property get-together group, including activities to ensure more rapid implementation of the TRIPS agreement, training for IPR officials, and the development of an APEC “trademark application mailbox.”
 - Expanded market access for APEC services markets, through the work of the Group on Services, by promoting greater transparency among services regimes in APEC economies, increasing understanding of the nature and benefits of open services regimes, and contributing to APEC work on early sectoral liberalization in the services area.
 - Greater openness and transparency in APEC investment regimes, through the work of the Investment Experts Group, including training for APEC officials on

implementation of the TRIMs agreement, regular updating of APEC information on regional investment regimes, and ensuring that the IEG work program works to promote concrete investment liberalization in the region.

- Ensuring that the work of the Subcommittee on Standards and Conformance contributes to more transparent, internationally aligned standards regimes, by ensuring progressive alignment to international standards in key sectors, progress on mutual recognition in key sectors, and the establishment of points of contact in national standards regimes.
- Ensuring that the work of the Government Procurement Experts Group contributes to U.S. objectives in the government procurement area, by ensuring that APEC economies make significant contributions to the WTO work program on transparency, and taking concrete steps to establish more open and transparent procurement regimes, by training procurement officials and other programs.
- Biotechnology: Intensify ongoing APEC work to achieve transparency and enhance prospects for a regional framework for agricultural biotechnology regulatory regimes based on scientific principles.
- Enhance IPR protection and enforcement, accelerate TRIPS implementation and develop a regional strategy to combat CD piracy, in the region, utilizing the Special 30 process as well as bilateral and multilateral fora.

Key External Factor: USDA's commitment of resources on super 301 agricultural issues.

- Improve market access for U.S. autos including more effective implementation of the 1995 Auto MOU, and other aspects of market access not covered by the MOU.
- Seek to resolve by means of annual section 1377 reviews bilateral telecommunication goods and services market access issues, especially with Korea. Continue monitoring of Korean compliance with bilateral telecom commitments and monitoring of all regional signatories' implementation of WTO GBT commitments.
- Improve market access for U.S. financial service providers by means of the WTO Financial Services Negotiation with all WTO participating countries in the region.
- Seek accession of non-signatories in the region to the WTO Government Procurement Agreement, especially Australia, Singapore and India.
- Improve, via WTO dispute settlement process or associated bilateral negotiations, market access and IPR enforcement and protection with:
 - India (BOP quantitative restrictions, Article XXVIII renegotiation and TRIPS mail box violation);

- Korea (import clearance restrictions for agricultural and food products and discriminatory taxation of distilled spirits);
- Philippines (WTO-inconsistent implementation of Uruguay Round agricultural tariff rate quotas);
- Indonesia (GATT 94, TRIMS, TRIPS, and SCM Agreement inconsistencies and market access barriers regarding automobiles); and,
- Australia (SPS restriction on salmon, IPR - decompilation, parallel imports and copyright law amendments and automotive leather export subsidies).
- Make significant progress in resolving other bilateral trade and investment issues:
 - Engage Korean Government in technical discussions of liberalizations United States is seeking in the Korean Food Additives Code (changes in Korean Food Additive Code are also being pursued through WTO dispute settlement proceedings as part of the import clearance case).
 - Resolve customs reclassification cases with Korea through bilateral discussions and possibly through WTO dispute settlement procedures
 - Ensure adequate US access to Korea rice market.
 - Resolve market access problems for cosmetics in the Korean market.
 - Continue oversight on implementation of 1995 U.S.-Korea Shelf Life Agreement
 - Continue work with industry to liberalize Korea's market for medical equipment.
 - Seek to liberalize Korean screen quotas on foreign motion pictures
 - Decide on appropriate means to address U.S. industry concern with Korean steel policies (pricing and subsidies),
 - Monitor anti-import aspects of Korean "Frugality Campaign," and address any specific instances of discrimination.
 - Continue efforts to eliminate Australia's government procurement "Partnership for Development" program, in conjunction with efforts to secure accession to the Government Procurement Agreement.
 - Continue work to resolve U.S. industry's problems with New Zealand's reference pricing practices for pharmaceuticals.

- Continue efforts to secure Philippine transition to a WTO-consistent customs valuation and pre-shipment inspection regime.
- Continue efforts to secure Thai implementation of a WTO-consistent customs valuation
- Continue monitoring Malaysia's national automobile program, with emphasis on WTO-consistency of local content and export performance requirements. Continue analysis of newly proposed emissions standards for cars and motorcycles.
- Use bilateral TIFA (Trade and Investment Framework Agreement) meeting with Singapore in September 1997 (and follow up) to advance bilateral priorities (e.g. acceleration of UR commitments), APEC coordination and WTO objectives (financial Services, GBT implementation).
- Press the Indian Government for a reduction in the specific duty rates on almonds
- Work to achieve meaningful market access, IPR and investment-related commitments from Vietnam in the negotiation of the bilateral trade agreement. Continue close consultations with Congress as the U.S.-Vietnam bilateral trade agreement negotiations proceed.
- Support extension of a Jackson-Vanik waiver for Vietnam, upon resolution of substantive emigration issues.
- Ensure implementation of the recently signed bilateral U.S.-Vietnam copyright agreement in the required 6 month time-frame.
- Conclude negotiation of the bilateral trade agreement and a BIT with Laos. Work with Congress to ensure enactment of legislation to grant Laos MFN status, subject to the availability of pay-as-you-go offsets.
- Work with NOAA to complete the scientific analysis and decide whether to join Canada in its WTO dispute settlement case on Australian Salmon market access.
- Negotiate access to New Zealand's market for salmon as New Zealand's risk analysis process draws to a close.
- Respond to Congressional initiatives in the trade area in the context of Guam's effort to acquire commonwealth status.

Western Hemisphere

- Initiation of FTAA negotiations in all areas of interest to the United States;
- Ensure the successful evolution of the FTAA Working Groups into a satisfactory organization of Negotiating Groups;

- Completion of negotiations with Chile on a bilateral FTA with the U.S. or membership in NAFTA;
- Enhance IPR protection and enforcement and ensure progress toward TRIPS implementation in all FTAA countries;
- Completion of Intellectual Property Rights Agreements with Nicaragua, Honduras, and other countries in Latin America and the Caribbean;
- Increase the number of Bilateral Investment Treaties (BITS) in the region;
- Repeal of the Dealer's Act in Ecuador;
- Obtain Ecuador's compliance with all of its WTO accession obligations;
- Obtain wider Latin American participation in the WTO Information Technology Agreement;
- Obtain Latin American support for the Global Electronic Commerce Initiative;
- Obtain agreement with the Central American Common Market countries, Belize and the Dominican Republic (the San Jose Group) on terms of reference and a work plan for the new regional Trade and Investment Council;
- Obtain the acquiescence of the Caribbean countries on WTO-consistent implementation of the WTO panel finding against the EU in the banana case.
- Seek passage of Caribbean Basin trade enhancement legislation;
- Address U.S. concerns with Brazil's local content and export performance requirements for autos;
- Seek elimination of Brazil's import finance restrictions.
- Ensure the Brazilian Government imposes no local manufacturing requirements as a condition for certifying U.S. suppliers of optical fiber.
- Strengthen trade relations with Brazil under the Brazil-U.S. Bilateral Trade Review;
- Secure the elimination of Argentine WTO-inconsistent practices harming access to the market for U.S. exporters of textiles, apparel and footwear.
- Seek the elimination of the discrimination against imports in Chile's distilled spirits tax system.

- Ensure compliance by Canada and Mexico with all NAFTA obligations and timetables;
- Prevent or roll back Canadian cultural measures adversely affecting U.S. trade interests;
- Significant progress in finding solutions to grains trade issues with Canada;
- Undertake market-access initiatives for U.S. grains trade to Canada;
- Establish a regular dialogue focused specifically on agricultural trade issues with Canada;
- Reach agreement with Canada on continuation of the U.S. sugar-containing products re-export program;
- Determine whether Canada's special milk classification system is consistent with WTO obligations on export subsidies;
- Oversee the successful implementation of the U.S.-Canada Softwood Lumber Agreement;
- Engage in consultations seeking resolution of our trade dispute with Canada about Canadian shipments of wool suits under the NAFTA Tariff Preference Level;
- Ensure Mexico complies with its NAFTA obligations under Article 908.2 to recognize U.S. conformity assessment bodies on January, 1998.
- Complete negotiations with Mexico and Canada in the second round of NAFTA accelerated tariff elimination talks.
- Complete work to make the NAFTA Coordinating Secretariat operational, subject to availability of funding.
- Actively engage the Government of Mexico to develop solutions for U.S.-Mexico cross-border trucking and transportation impasse.
- Pursue appropriate redress for Mexican retaliation against U.S. broom corn broom safeguard measures.
- Address concerns about trade in sweeteners with Mexico, including responding to Mexican request for increased access to U.S. sugar market.

Europe/Middle East

- Complete Joint Study of economic opportunities and government barriers to those opportunities, as agreed to under the Transatlantic Agenda;
- Make significant progress in liberalizing trade in sectors that have been recommended as commercially meaningful under the joint study, especially biotechnology, chemicals, light

trucks/autos, intellectual property, government procurement, and electronic commerce, while maintaining environmental, health and safety protection and taking into account the legal authority of agencies to regulate products in commerce.

- Establish a dialogue with the EU on ecolabeling with a view to addressing trade issues that arise in the EU scheme;
- Complete Mutual Recognition Agreements on fasteners, veterinary biologics, and other key sectors identified by the Transatlantic Business Dialogue as ripe for conclusion;
- Conclude a bilateral agreement with the EU regarding its restrictive practices in the trade of bananas, which have been found illegal by the WTO;
- Conclude a bilateral agreement with the EU on trapping standards and trade in animal fur;
- Ensure no further tightening and, if possible, achieve liberalization of EU audio/visual restrictions;
- Ensure timely enactment and implementation of government procurement reform legislation in Germany that provides for non-discriminatory, timely, transparent and effective procedures for review of alleged violations of the WTO Government Procurement Agreement.
- Address any legitimate EU concerns with U.S. textile rules of origin;
- Make significant progress in resolving outstanding agriculture issues with the EU, including pet food, canned fruit, wine, rice, and veterinary equivalence;
- Resolve dispute with the EU regarding its ban on U.S. beef from cattle treated with hormones for growth promotion;
- To ensure that U.S. market access is preserved, establish a trilateral/bilateral dialogue with the Central and East European countries and the EU regarding CEEC harmonization with EU rules in preparation for full EU membership;
- Resolve biotech labeling and product approval problems with the EU;
- Establish retroactive protection for copyrighted works and sound recordings in Russia and step up enforcement for intellectual property rights protection;
- Establish intellectual property rights regimes in the Newly Independent States (NIS) that are consistent with the WTO and U.S. objectives;
- Continue to ensure a fair international economic environment for trade in commercial aircraft, including maintenance of the current balance in the U.S.-EU Airbus Agreement;

- Complete Bilateral Investment Agreements with countries of commercial significance to the U.S. in the NIS, Central Europe, and the Middle East, particularly Azerbaijan, Lebanon, and Slovenia;
- Establish a Qualified Industrial Zone in Jordan and Israel that would allow duty free access to the U.S. under certain conditions and further the Middle East peace process by linking Jordanian and Israeli businesses;
- Renegotiate existing bilateral textile agreement with Oman as appropriate;
- Continue bilateral consultations with Egypt that will result in significant progress in institutionalizing trade liberalization in areas such as government procurement, tariffs, financial services, and customs valuation; and
- Conclude an agreement with Hungary to limit export subsidies on agricultural products and ensure its compliance with WTO obligations.
- Decide whether EU inward processing system on dairy products is consistent with WTO obligations on export subsidies.

Japan

- Ensure implementation of all bilateral trade agreements with Japan, including autos and auto parts, insurance, telecommunications procurement, computers, supercomputers, medical technology, satellites, glass, and paper;
- Maintain the effectiveness of the current plurilateral agreements on semiconductors, including access to the Japanese market;
- Conclude a new bilateral agreement with Japan on NTT procurement;
- Conclude agreement to implement WTO decision on alcoholic beverages;
- Reach resolution of WTO film case;
- Conclude new bilateral agreement on port practices;
- Conclude a new agreement on civil aviation;
- Use new deregulation initiative to generate significant deregulatory action by Japanese government in designated sectors, including telecommunications, medical/pharmaceutical, financial services, housing, and distribution;
- Address SPS concerns with Japan, in particular variety-by-variety testing of apples, cherries, plums, nectarines, and other relevant U.S. exports;

- Pursue new multilateral agreements that create opportunities in Japan for U.S. firms in such areas as electronic commerce; and
- Use APEC to pursue sectoral initiatives such as chemicals, natural resource products, medical equipment and services, environmental goods and services, and oilseeds.

China, Hong Kong, and Taiwan

- Monitor enforcement and ensure implementation of bilateral agreements with China, Taiwan, and Hong Kong.
- Resolve outstanding issues from the 1992 Market Access MOU with China-- especially in the area of agriculture-- including SPS barriers facing U.S. citrus, stone fruits, wheat and tobacco exports to China;
- Enforce the 1995 IPR Agreement and 1996 IPR Accord with China to ensure adequate implementation of agreements, effective protection for IPR (with special attention to the elimination of software and end-user piracy), and increased market access for U.S. IPR industries in China;
- Ensure, both through WTO accession and bilateral negotiations market access in Taiwan for products that currently face substantial barriers including pork, chicken, rice, pharmaceuticals, medical devices, petroleum products, and glass;
- Continue to monitor the access of U.S. made medical devices and their fair treatment in terms of Taiwan's compulsory insurance scheme in accordance with the 1996 Agreement on Medical Devices with Taiwan.
- Reach understanding to improve IPR protection in Hong Kong and Taiwan;
- Prevent unfair regulation of U.S. financial data and information service providers by China's State-run Xinhua News Service.
- Secure market access for financial services such as insurance licenses for U.S. insurance providers in China;
- Address the problem of discriminatory price controls in China's regulation of its pharmaceuticals industry;
- Renegotiate, as appropriate, existing bilateral agreements with China on silk apparel;
- Complete negotiations with Macao to ensure non-circumvention of the textile agreement.

Africa

- Implement the President's "Partnership for Economic Growth and Opportunity in Africa"

Initiative and the relevant provisions of the “African Growth and Opportunity Act”, subject to the availability of pay-as-you-go offsets.

Key External Factor: Congressional authority is needed to implement expanded market access provisions of President’s initiative.

- Issue timely and substantive Presidential reports on U.S. trade and development policies with the countries of Africa; and
- Select an AUSTR for Africa and launch an effective Office of Africa which can coordinate U.S. trade policies towards Africa.

Future Evaluations:

- 1) Seek views of private sector advisory committees and Congressional committees of jurisdiction on all regional, plurilateral, and bilateral negotiations to ascertain if U.S. national interests and specific sectoral interests are being met;
- 2) Measures for future agreements will include the degree to which agreements:
 - increase market access opportunities
 - increase WTO consistency
 - protect investment and IPR;
 - encourage further observance of worker rights;
 - encourage regional environmental cooperation;
 - are consistent with U.S. international obligations; and
 - reflect advice from private sector and Congress.

General Objective: Negotiate trade and investment agreements to advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce and, where necessary, modify these agreements to ensure that the intended benefits are achieved.

Strategy 5: Enforce and defend U.S. trade and investment rights and obligations to ensure compliance with the terms of existing agreements.

During this Administration alone, USTR has negotiated over 200 bilateral, regional, and multilateral trade agreements. These agreements, combined with aggressive export promotion and vigorous enforcement of U.S. trade laws, have helped increase U.S. exports of goods and services.

The successful negotiation of these trade agreements has led to a greater emphasis on ensuring compliance by foreign governments with their obligations under these agreements. Therefore, in January 1996, USTR created a new Monitoring and Enforcement unit. Six months later, the Department of Commerce created a new Trade Compliance Center (TCC), which represents a further extension of the Administration's efforts to identify barriers to U.S. goods and services in markets abroad and to ensure compliance with international trade agreements.

Monitoring. With respect to monitoring activities, USTR has created and maintained a trade agreements archive, and so far has undertaken initiatives to monitor compliance with bilateral, regional and specific WTO agreements, including a number of countries' WTO accession commitments. This work has been supported and complemented by the TCC's work program. Interagency coordination of this activity is carried out by the interagency Trade Policy Staff Committee.

Enforcement. When, as a result of monitoring, USTR determines that a foreign government is not complying with its trade agreement obligations, an appropriate response by the United States is developed through the Trade Policy Staff Committee process, including strategically applying U.S. trade laws and, where appropriate, invoking dispute settlement provisions under the trade agreement. USTR represents the United States in litigation of all disputes to which the United States is a party in dispute settlement proceedings under the WTO, the NAFTA, and other multilateral and bilateral trade agreements. USTR also applies the provisions of U.S. trade laws to back up international enforcement of U.S. trade agreement rights and obligations and address problems that are outside the scope of trade agreements.

Enforcing trade agreements and trade laws is not an abstract debate. It affects Americans' jobs and incomes. It affects the United States' ability to get the maximum benefit of trade agreements, ensure that we can continue to open markets, and build confidence in the trading system.

For the United States to maintain an effective trade policy and an open international trading system, its citizens must have confidence that trade is fair and works for the good of all people. That means ensuring that other countries live up to their obligations under the trade agreements they sign. The best way to build confidence in trade agreements is to enforce them, and vigorous enforcement is critical to ensuring that the United States continues to get good agreements.

Outcome Goals:

- (1) Advocate U.S. positions in trade disputes involving foreign government practices;
- (2) Defend U.S. measures challenged by foreign governments;
- (3) Make full use of a systematic approach to monitoring trade agreements on an interagency basis;
- (4) Respond to petitions from nongovernment sources for action against foreign government practices or self-initiate investigations into such practices where appropriate; and
- (5) Use the leverage provided by U.S. trade laws to obtain changes in foreign government acts, policies, or practices that unfairly burden or restrict U.S. commerce.

Five-Year Strategic Goals:

An effective enforcement strategy includes obtaining foreign government compliance with trade agreement obligations where noncompliance is found and developing strong, well-supported legal arguments and factual records prior to entering into consultations with foreign governments under dispute settlement procedures or into bilateral negotiations, thereby encouraging settlement agreements and avoiding the use of the extensive resources required to litigate cases or publish retaliation lists. The following are five-year goals in support of that strategy:

- Develop and maintain a highly-trained corps of litigators who are expert at brief-writing and oral argument and who have highly-developed advocacy skills specifically tailored to the WTO and NAFTA dispute settlement processes. Also, continue to devote sufficient legal resources to drafting new agreements and ensuring compliance with existing laws.
- Implement a trade agreements monitoring work program, drawing upon the resources of all trade agencies.

Key External Factor: USTR cannot guarantee the cooperation of other trade agencies, without which the Agency will need to scale back the scope of its efforts.

- Employ provisions in dispute settlement procedures to ensure that foreign governments effectively implement the recommendations resulting from dispute settlement proceedings that are addressed to them and employ the Section 301, Special 301, and Telecommunications Trade provisions in U.S. trade laws to ensure that trade agreements without dispute settlement provisions are also complied with.
- Apply experience gained through dispute settlement in drafting future trade agreements that will give rise to fewer disputes over interpretative issues.

Key External Factor: Identifying cross-cutting legal issues that arise under different agreements and ensure a consistent approach in the interpretation and application of similar provisions in different agreements. This can be managed by assigning some of the staff to review all agreements for overall consistency.

- Ensure that trade agreements concluded during this period contain effective dispute settlement provisions.
- Encourage other governments to join the United States in making dispute settlement documents available to the public and generally increasing the transparency of WTO dispute settlement activities.

Annual Goals:

- Settle or complete WTO and NAFTA dispute settlement proceedings in the 51 disputes (44 WTO; 7 NAFTA Chapter 20) that are currently pending in which the United States is either a complainant (27 cases), the defendant (14 cases), or a third party (amicus) (10 cases).
- Through careful monitoring, invoke dispute settlement procedures in instances where noncompliance is believed to have occurred.
- Evaluate past and current agreements to determine which provisions have been easiest to enforce; use these and similar provisions in future agreements.
- Expand the coverage of the USTR trade agreement archive; work out an arrangement with Commerce's Trade Compliance Center for providing and accessing trade agreement information in their electronic database; and institute a regular interagency monitoring program.

Future Evaluation:

- Dispute settlement proceedings or agreements reached to settle trade disputes should result in foreign governments taking satisfactory measures to grant the rights of the United States under trade agreements by agreeing to eliminate or phase out measures that do not comply with trade agreement obligations, by agreeing to an imminent solution to the burden or restriction on U.S. commerce caused by the foreign measures, or -- if it is impossible for the foreign government involved to resolve the matter in those ways -- by agreeing to provide the United States compensatory trade benefits that are satisfactory to the United States' government.
- Any such steps taken by foreign governments should be acceptable to the affected private sector interests in the United States.
- Use a survey of federal trade agencies to determine the effectiveness of trade agreement monitoring activities.

General Objective: Negotiate trade and investment agreements to advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce and, where necessary, modify these agreements to ensure that the intended benefits are achieved.

Strategy 6: Administer trade laws to bolster international compliance with U.S. trade agreement rights and obligations and address problems that are outside the scope of existing trade agreements.

USTR administers several laws and Executive Orders designed to (1) ensure that U.S. companies and workers can petition the government to address foreign unfair trade practices that are adversely affecting U.S. economic interests, (2) deal with unfair or dramatically increased imports, and (3) assist developing countries. USTR is also responsible for administering programs that grant tariff preferences to developing countries.

Section 301 of the Trade Act of 1974, is the principal U.S. statute for addressing unfair foreign practices affecting U.S. exports of goods or services. Section 301 investigations are initiated in response to petition or on USTR's own initiative and concern trade agreement violations or unreasonable, unjustifiable, or discriminatory foreign government practices that burden or restrict U.S. commerce.

Section 181 of the Trade Act of 1974, requires USTR to submit to the President, the Senate Finance Committee, and appropriate committees in the House of Representatives an annual National Trade Estimate (NTE) report containing an inventory of the most important foreign barriers affecting U.S. exports of goods and services, foreign direct investment by U.S. persons, and protection of intellectual property rights.

Section 182 of the Trade Act of 1974 ("Special 301"), requires USTR to identify those countries that deny adequate and effective protection for intellectual property rights or deny fair and equitable market access for persons that rely on intellectual property protection and to take appropriate action.

Section 1374 and Section 1377 of the Omnibus Trade and Competitiveness Act of 1988 (Telecommunications Trade Act of 1988) require the USTR to investigate foreign telecommunications trade barriers and annually review the operation and effectiveness of telecommunications trade agreements.

Executive Order 12901 of March 4, 1992 ("Super 301") requires USTR to annually review U.S. trade expansion priorities and identify and initiate Section 301 investigations into foreign country practices deemed as priorities.

Trade preferences programs: The Generalized System of Preferences (GSP), the Caribbean

Basin Initiative (CBI), and the Andean Trade Preference Act (ATPA) and “the Africa Growth and Opportunity Act,” once enacted, provide duty-free or preferential tariff access to the U.S. market for products from developing countries. USTR is required to ensure that these preferences are granted in accordance with their governing statutes.

Unfair trade practices and import relief statutes: USTR coordinates recommendations to the President on determinations of the U.S. International Trade Commission under Section 337 of the Tariff Act of 1930 and under Section 201 of the Trade Act of 1974. Section 337 deals with unfair acts or unfair methods of competition when importing or selling imported goods. Section 201 deals with the grant of temporary import relief to a domestic industry seriously injured by increased imports. USTR also coordinates policy positions with respect to WTO and NAFTA obligations regarding the administration of U.S. antidumping and countervailing duty laws. Under the authority of section 204 of the Agriculture Act of 1956, USTR negotiates bilateral textile agreements restricting imports and implements U.S. obligations under the Uruguay Round Agreement on Textiles and Clothing and NAFTA, involving, inter alia, restraints on imports of textiles and apparel. USTR also defends challenges to actions taken by the U.S. pursuant to these unfair trade practices and import relief statutes.

Outcome Goals:

- (1) Use U.S. trade laws to eliminate, in a manner consistent with overall U.S. policy objectives and the U.S. national economic interest, trade, investment, and intellectual property barriers that are most adversely affecting exports of goods and services produced by U.S. companies and workers;
- (2) Respond to petitions and conduct investigations and administrative reviews in accordance with statutes; and
- (3) Assess the best method for addressing barriers that are the subject of investigation.

Five-Year Strategic Goals:

A **key external factor** relates to the volume of work associated with administering of U.S. trade laws, which is dependent on the number of times U.S. firms or workers file petitions or resort to these laws and the number of times that self-initiation of proceedings under Section 301 or Section 1377 may be necessary to achieve U.S. objectives.

- Use the special 301 process to achieve full implementation of relevant TRIPS agreement obligations by developing countries by 1/1/2000;
- Use trade laws to eliminate or prevent the establishment of trade barriers and to reach bilateral and multilateral agreements covering trade barriers not yet addressed;

- Use trade laws to ensure compliance with existing trade and investment agreements;
- Extend GSP on a multi-year basis depending on the availability of pay-as-you-go offsets so that its potential as a development incentive can be realized and it can motivate improvement of intellectual property, worker rights, market access, and other trade policy improvements in developing countries;
- In considering action or recommendations to the President under sections 201, 337, and 301, ensure that the views of other agencies, the private sector, and the general public are appropriately taken into account.

Key External Factor: USTR cannot guarantee an interagency consensus. USTR's best practical goal is to ensure that every agency feels included in the process.

Annual Goals:

- Extend GSP on a multi-year basis depending on the availability of pay-as-you-go offsets so that its potential as a development incentive can be realized and so that it can motivate improvement of intellectual property, worker rights, market access, and other trade policy improvements in developing countries;
- Defend any challenges in the WTO or NAFTA to U.S. actions under section 301, 337, 201, or to antidumping or countervailing duty proceedings;
- Determine the best usage of Super 301 for the coming year; and
- Use Section 301, Special 301 (including the annual review process, and "out-of-cycle" reviews), and Section 1377, where appropriate, to address specific foreign trade barriers, to provide leverage to improve IPR laws and enforcement efforts, and to provide improved foreign market access for U.S. telecommunication goods and services exports.

Future Evaluation:

To maintain efficient resource allocation, the use made of U.S. trade laws should be evaluated annually, and companies and workers should be counseled on how best to use these laws.

General Objective: Open clear lines of communication related to U.S. trade policy and investment goals with Congress, the private sector, the media, and the general public.

Strategy 7: Assist the President, Congress, and U.S. interests in the resolution of trade and investment problems

The USTR is the President's primary advisor and spokesperson on trade and direct investment policy and is frequently called upon to provide advice to the President, testify before the Congress, and assist state and local governmental and nongovernmental interests to achieve their trade and investment goals.

Outcome Goals:

- (1) Provide useful and timely interagency cleared advice and reports to the President and Congress that advance U.S. trade and investment interests;
- (2) When the subject matter dictates, consult with USTR's Congressional committees of jurisdiction on developments regarding the Administration's trade agenda;
- (3) Communicate the views of trade advisory committees to the appropriate Congressional committees of jurisdiction. In addition, USTR invites Members and key trade staff to meetings of its trade advisory committees;
- (4) Respond to specific Member and committee requests for information on international trade issues. The response may come in the form of hearing testimony, briefings in executive session, individual meetings with Members and/or staff, and letters, reports, press releases, phone calls, staff briefings, and conference calls;
- (5) Consult with Congress on ongoing negotiations. To do this, USTR regularly makes available the texts of agreements to cleared professional trade staff of USTR's committees of jurisdiction and the professional trade staff of other relevant committees, depending on the subject matter and by request;
- (6) Consult with and provide timely advice to USTR's advisory committees, state and local government interests, and nongovernmental interests;
- (7) Provide technical and policy advice on state and local government policies and proposals that could have an impact on U.S. international obligations;
- (8) Consult with state and local governments when their policies conflict with international obligations and work with them to find appropriate resolutions.

Five-Year Strategic Goals:

- Ensure that advisory committee membership continues to be representative in terms of geography, line of work (or interests represented), gender, and ethnicity in the private sector; maintain and improve role of USTR's advisory committees in advising USTR on trade policies and negotiations;
- Maintain and improve USTR's federal/state consultative process, in particular by identifying future areas of possible federal/state conflicts and areas where state laws or practices could become the subject of WTO or NAFTA dispute settlement, such as professional services or insurance.

Key External Factor: USTR's ability to make federal/state consultative process effective depends in large part on the resources available to maintain channels of communication and the willingness of the state governments to devote appropriate resources.

Annual Goals:

- Bring issues to the attention of the President and the Congress in sufficient time to make informed decisions;
- Consult with the Congress and congressional staff in a timely manner and respond to congressional requests;
- Ensure that material presented to the President and the Congress reflects interagency agreement with respect to the full range of U.S. interests at stake;
- Issue and widely distribute reports to the President, the Congress, and the public in compliance with statutory deadlines and mandates;
- Structure the advisory committees to obtain timely and relevant advice; adhere to advisory committee rules and regulations to maintain the integrity of the the advisory committee system.
- Maintain effective communication and consultation with state and local governments on relevant trade issues and trade disputes that impact on state and local interests.
- Increase USTR staff attendance at advisory committee briefings and meetings to ensure better awareness among staff of private sector concerns and ensure staff is kept up to date on USTR policies and priorities.

Future Evaluations:

- (1) Establish an annual survey for USTR's advisory committees and the primary state and local representatives with which USTR deals to evaluate the level of service and responsiveness that USTR is providing.
- (2) Establish quantitative measures to evaluate the level of communication between the USTR and advisory committees, state and local governments, and other private sector interests.

General Objective: Open clear lines of communication related to U.S. trade policy and investment goals with Congress, the private sector, the media, and the general public.

Strategy 8: Communicate with the private sector and the general public to increase understanding of the contribution of trade and investment to the economic security of the nation.

The passage of the NAFTA and the Uruguay Round WTO Agreements and the 217 trade agreements negotiated by USTR since 1993, have ushered in a new era of public interest in the United States' trade agenda. With that interest has come an increase in inquiries and requests from the press and public for USTR to provide information about U.S. trade policy. Additionally, as trade has continued to play an important role in our nation's economic growth, USTR has become increasingly aware of its responsibility to communicate effectively a trade policy that is designed to create jobs, improve the standard of living for all Americans, and further sustainable development. Because of the technical nature of trade, communicating information about our trade policy is especially challenging.

Outcome Goals:

USTR Public Affairs and Private Liaison must:

- (1) Communicate trade policy to the public and private sector; and
- (2) Develop a communications strategy that identifies and addresses relevant audiences on broad and specific aspects of U.S. trade policy.

Five-Year Strategic Goals:

In general, key external factors, such as the level of Congressional interest and level of interest of industry and private sector groups and other major issues in the news that overshadow attention to trade are the predominant key factors affecting USTR's ability to achieve its goals and objectives. Areas such as the trade deficit and diplomatic disputes that may have little relation to trade policy may shape public opinion about trade and overshadow particular trade objectives and concerns. The trade deficit in particular is a matter much more influenced by macroeconomics than trade policy.

One area that we can reasonably predict will increasingly demand the time of USTR's Public Affairs staff is WTO issues. The creation of the World Trade Organization has put the spotlight on trade issues and has created a forum that regularly makes decisions that are of interest to reporters, trade lawyers, private sector companies and interest groups, Members of Congress, and the general public. Since 1995 the U.S. has filed 32 complaints under WTO dispute settlement procedures, has had 16 complaints filed against U.S. practices, and has participated as an interested third party in more than 20 other disputed brought by other WTO members. If this

current rate continues, in five years the number of cases in which the United States is involved in a given year could be close to one hundred, since cases can span a number of years.

The following goals are to be achieved between 1998 and 2002:

- Communicate to the public and private sector the importance of trade to U.S. economic growth, job creation, and strategic concerns;
- Improve communication with USTR's Geneva office on WTO issues;
- Develop a clear strategy for dealing with European reporters covering the WTO and OECD, and in countries with substantial trade volume with the United States such as Japan, Canada and Mexico. USTR needs to develop outreach strategies to reach foreign-based U.S. reporters and foreign press;
- Improve "real time" communication with Geneva, especially regarding the dispute settlement process. USTR should consider designating an individual in the Geneva office to handle press and work with USIS and the USTR Washington Public Affairs Office to more effectively coordinate public outreach.
- Contribute to an effective public education program, including Members of Congress and their staffs, on the benefits of open markets and expanded trade;
- Improve communication with the public by installing an automated system through which callers could get up-to-date information on a variety of issues daily and make our Internet home page more user friendly.

Annual Goals

- Communicate to the public and private sectors the importance of trade to U.S. economic growth, job creation, sustainable development and strategic concerns;
- Communicate the success of the 217 trade agreements negotiated by the Administration since 1993, including the WTO and the North American Free Trade Agreement (NAFTA);
- Increase AUSTR participation in radio and television interviews in an effort to reach out to the public and press. This would require some level of media training for AUSTRs;

Key External Factor: The circumstances in which AUSTRs can speak on trade policy issues are limited as the media generally seek comment from the USTR or Deputy USTR.

- Work with the private sector to garner support for our effort to obtain fast track

negotiating authority for the President and communicate this need to the press and public;

- Improve the layout of USTR's Internet home page to make it more user friendly and provide information about our home page to potential users via targeted press releases. Regularly send out press releases to public and press highlighting new features of the home page;

Future Evaluations:

- Evaluate satisfaction of public and press by conducting an annual survey, installing a suggestion box in the reading room, and putting a comments button on our home page.
- Evaluate factual content of news stories to determine if facts are being properly conveyed.

General Objective: Tailor internal management to ensure support, training, and retention of highly motivated employees who can carry out negotiating and supervisory responsibilities within the trade policy community.

Strategy 9: Create a work environment that is most conducive to the efficiency of USTR's employees.

In the years covered by this Strategic Plan, USTR will face a rising volume of market opening opportunities, a growing potential for monitoring and enforcement, a venue that spans the entire globe. Faced with these circumstances, USTR *must* improve its internal management and business practices.

USTR's human capital is its only asset. Thus, at USTR managing efficiently necessitates creating an office environment that is most conducive to the Agency's well-trained and highly motivated employees, i.e., providing a safe and secure work environment for employees; operating reliable and responsive computer and communications systems as tools for employees; and operating productive office processes to ensure that the work of the agency is effectively carried out.

Sub-Strategy 1: Implement training programs and family-friendly work schedules and provide a safer and more secure workplace.

Working conditions for USTR employees are generally good, but need to be improved. The Winder (Washington, D.C.) and Botanic (Geneva, Switzerland) Buildings offer a comfortable and reasonably secure work setting, but recent evaluations indicate risks to employee safety and security.

Further, USTR is coping with steadily rising workloads, a situation which has been exacerbated by similar circumstances at other agencies which traditionally provide critical analytical and negotiating support to USTR. The Strategic Plan's management improvement objective strives to address the issues surrounding the balance of work with family life.

Outcome Goals:

- Maintain a workforce that possesses the skills and training needed to carry out USTR missions;
- Sustain a work environment that allows employees to manage work demands while meeting family obligations; and
- Provide a safe and secure setting for employees at the office.

Five Year Strategic Goals:

To achieve the following goals, USTR will attempt to reallocate resources internally:

- To operate an effective employee training program with a concentration on negotiation;
- To install and use high-end personal computers and peripheral equipment in employees' homes to help them work out of the office, where circumstances permit; and
- To improve safety in the Winder and Botanic Buildings.

Annual Goals:

- Having developed an employee training strategy in FY 1998, formulate a budget for said strategy and implement the program;
- Following the upgrade of PCs in the Winder and Botanic Buildings, USTR will loan the displaced computers to employees for business use in their homes; and
- Bolster the physical security of the office buildings in all vulnerable areas.

USTR will use as a primary performance measure the incidence of employee job-related training. The agency will also use as a measure the number of personal computers and related equipment loaned to employees; the establishment of alternative work arrangements; the conclusion of major events, such as the development of an agency training strategy; and the completion of facility security changes in the Winder and Botanic Buildings.

Evaluations:

In developing the Five-Year Strategic Goals, USTR has drawn from evaluative reports produced by other organizations and analyses generated from within USTR. These include:

- A 1996 Family Friendly Survey Questionnaire, which asked USTR employees about their preferences for Alternative Work Arrangements, including Compressed Work Schedules;
- A 1995 Department of Justice/General Services Administration Vulnerability Assessment of the Winder Building, which identified vulnerabilities to the threat of terrorism in and around the Winder Building;
- The 1993 National Performance Review Report, "From Red Tape to Results," which recommended that USTR establish and maintain a program of training and retraining for its negotiators.

Future evaluations will include employee assessments of training courses; employee surveys about family friendly work accommodations; and evaluations of building security by experts in the field.

General Objective: Tailor internal management to ensure support, training, and retention of highly motivated employees who can carry out negotiating and supervisory responsibilities within the trade policy community.

Strategy 9: Create a work environment that is most conducive to the efficiency of USTR's employees.

Sub-Strategy 2: Rebuild and upgrade USTR's computer system

USTR is heavily dependent on electronic communications and office automation systems. With offices in Washington and in Geneva, USTR must operate efficiently at two sites. Moreover, ad hoc logistical support is needed when negotiations are conducted in foreign cities. At each worldwide location, administrative support systems are needed to assure employee safety, to protect classified documents, and install on-site office support (e.g., word processing) and electronic communication connections (e.g., transatlantic faxing, e-mailing).

In May 1992, USTR installed a distributive local area network computer system with secure and nonsecure capability, transatlantic connectivity to the Geneva Office, and the capability for dial-in from remote locations. The new system represented a substantial improvement over the predecessor minicomputer system, and it improved employee productivity substantially.

As usage of the communication lines increased, however, the system proved itself increasingly incapable of meeting Agency needs. USTR's transatlantic communications -- e-mail and word processing documents sent between the Washington and Geneva Offices -- have been marred by slow circuit transmission speeds.

These performance deficiencies are a function of higher than anticipated use of the circuit for communications between the two offices and the limited bandwidth size (64KB) of the circuit itself.

Outcome Goal:

- The computer system is reliable and dependable;
- The system processes information and enables communication efficiently;
- The system provides employees the automation capabilities they need to perform their jobs effectively; and
- The system is not vulnerable to unauthorized access or security breaches.

Five Year Strategic Goals:

- Achieve cost-effective, faster processing times for basic and recurring network applications;
- Increase office automation and communication services provided to employees through upgraded computer equipments and new software; and

Annual goals:

- Upon installation of new wiring in FY 1998, establish a baseline for measuring processing times for basic and recurring network applications (e.g., number of seconds to “boot up” or to access the network from a remote site). By FY 1999, monitor system performance against that baseline at the time that each capital improvement is made in the network;
- Evaluate further options for enhancing file and computer security, especially through the Internet, and prepare analytically sound budget justifications in support of the least expensive approach that assures the desired level of protection.

These annual goals represent key milestones in the plan to take a cost-effective approach to reducing inefficiencies, speed processing times, enhance computer security, and expand services available to employees.

A primary performance measure to be used is processing times for completing routine tasks on the local area network. Another is the incidence of failure of key computer hardware. On the transatlantic circuit, potential performance measures are the incidence of successful e-mail and document transmissions and the processing times of those transmissions. Other measures include the achievement of events such as the installation of replacement network hardware.

Evaluations:

In developing the Five-Year Strategic Goals, USTR has drawn from formal evaluative reports produced by other organizations and data and analyses generated from within USTR. These evaluations include the following:

- A 1996 assessment of USTR’s transatlantic telecommunications circuit.
- A 1996-97 Department of State Inspector General audit of USTR’s Botanic Building in Geneva.
- A 1995 internal employee survey and needs assessment, which asked employees about office automation needs and computer service preferences.
- A 1996 evaluation by USTR computer staff of network use, documenting processing times and system failures.

With respect to future and ongoing evaluations, USTR will continue to monitor processing times for basic and recurring network applications. Employees will be periodically surveyed for their assessment of systems performance and their preferences for computer applications to help them perform their jobs more effectively.

General Objective: Tailor internal management to ensure support, training, and retention of highly motivated employees who can carry out negotiating and supervisory responsibilities within the trade policy community.

Strategy 9: Create a work environment that is most conducive to the efficiency of USTR's employees

Sub-Strategy 3: Improve internal business practices to better manage operations.

When pressed to conclude complex trade negotiations on time, file legal briefs on disputes by World Trade Organization deadlines, or submit trade reports to Congress by statutory deadlines, USTR sometimes fails to meet internal target dates for transacting other, perhaps less visible, recurring agency business. The recurring business includes: replying to correspondence from Congress and the general public; responding to information requests under the Freedom of Information Act; and managing a range of internal administrative systems, such as completing annual employee performance plans early in the performance period.

USTR's performance record in carrying out these internal business matters is satisfactory, but it is not outstanding. Too often, routine administrative business does not get the attention it deserves, and deadlines are missed. USTR recognizes the difficulty that an employee has in responding to mail from the public or replying to FOIA requests from the media when, for example, the employee has been in negotiations at a foreign location for a week, or has on-going negotiations in Washington. Clearly, programmatic demands at USTR make completion of recurring business tasks very difficult. Nonetheless, USTR understands that it must manage these processes better.

This Strategic Plan seeks to determine the extent to which internal business practices can be improved, identify the barriers to optimal performance, and establish targets for performance improvement.

Outcome Goals:

- Increase responsiveness to correspondence and information requests from Congress, media, private sector, general public, etc.
- Tie annual performance plans to the GPRA Strategic Plan.

Five Year Strategic Goals:

- Reorganize internal business systems to ensure that correspondence from all sources is answered promptly;
- Establish and communicate priorities to employees through the annual performance plans;

- Ensure accountability of managers for achieving results and improving internal business practices by requiring them to fulfill the expectations of the performance plans.

Annual Goals:

- Establish a baseline for tracking responses to correspondence; subsequently establish response-time goals for each office as part of the annual performance plan;
- Develop standards and goals for timely responses to Freedom of Information Act (FOIA) requests and hold managers accountable for meeting them;
- Institute systems to ensure that annual performance plans related to USTR's Strategic Plan are established at the start of the performance year and revised during the year as needed.

The primary performance measures proposed are: the percentage of Congressional mail, other non-electronic mail, and e-mail answered within established deadlines; the proportion of FOIA inquiries and internal deadlines met on time; and the establishment of manager performance plans within 30 days after the start of the year.

Evaluations:

In developing the Five Year Strategic Goals, USTR has drawn from internal assessments:

- An internal USTR assessment in 1997 under the auspices of the Office of General Counsel, which identified an escalating backlog of unanswered FOIA requests.
- Periodic internal USTR assessments during 1993-1997 by the Correspondence Control unit, which documented the agency's record in responding to mail.

Assessments in future years will include internal analyses of each office's and manager's performance in meeting annual goals.

LEGISLATIVE BACKGROUND AND ORGANIZATIONAL STRUCTURE

A. Legislative Background: A History of Growing Responsibility and Authority

The Trade Expansion Act of 1962² required the President to appoint a Special Representative for Trade Negotiations and established an interagency trade organization to make recommendations to the President on policy issues arising from trade agreements. Through this legislation, Congress intended to better balance competing domestic and international interests in negotiations and the formulation of U.S. trade policy. The new Special Trade Representative was to serve as the chief representative for negotiations authorized under the Act and other trade negotiations authorized by the President.

Through executive orders issued in 1963, President John Kennedy created a new Office of the Special Trade Representative (STR) in the Executive Office of the President and designated two new Deputies, one in Washington, D.C. and the other in Geneva, Switzerland. Through the mid-1960's, STR had the chief responsibility for U.S. participation in the Kennedy Round of multilateral trade negotiations held under the auspices of the General Agreement on Tariffs and Trade (GATT).

In the 1970s, the Congress substantially expanded the responsibilities of STR. Section 141 of the Trade Act of 1974 statutorily established STR in the Executive Office of the President and made it responsible for the trade agreements programs under the Tariff Act of 1930, the Trade Expansion Act of 1962, and the Trade Act of 1974. The 1974 Act also made STR directly accountable to both the President and the Congress for these and other trade responsibilities. Through Executive Order 11846, President Gerald Ford elevated the Special Trade Representative to cabinet level.

Reorganization Plan No. 3 of 1979 consolidated and further strengthened STR's responsibilities. The 1979 reorganization and Executive Order 12188 next year renamed STR as the Office of the United States Trade Representative (USTR), centralized U.S. Government policy-making and negotiating functions for international trade, and greatly expanded USTR. These changes:

- ** assigned overall responsibility to USTR for developing and coordinating the implementation of U.S. trade policy;
- ** designated the Trade Representative as the principal advisor and chief spokesperson on trade agreements and trade policy, and as advisor on the impact of international trade on other U.S. Government policies;

²The source for much of the legislative background description is the Overview and Compilation of U.S. Trade Laws, dated June 25, 1997, by the U.S. House of Representatives, Committee on Ways and Means.

- ** made USTR responsible for asserting and protecting “the rights of the United States under all bilateral and multilateral international trade and commodity agreements”; this responsibility is exercised in conjunction with the Department of Commerce, which monitors “compliance with international trade agreements to which the United States is a party.”
- ** made the Trade Representative the Vice Chairman of the Overseas Private Investment Corporation (OPIC), a non-voting member of the Export-Import Bank Board of Directors, and a member of the National Advisory Committee on International Monetary and Financial Policies;
- ** made USTR responsible for developing and coordinating trade in services; and
- **made USTR responsible for direct investment matters. A separate memorandum of understanding between USTR and the Department of State spells out specific responsibilities for the two agencies in OECD, UNCTAD and other multilateral and bilateral activities. The Department of State continues to serve as chief representative to the OECD Committee on Investment and Multilateral Enterprises and its subgroups (except for the subgroup on National Treatment), including the OECD Working Group on Bribery. In carrying out its lead responsibility with respect to bilateral and multilateral investment matters, it was agreed that USTR will work in close cooperation with the Department of State in determining negotiating assignments which shall include USTR-State co-chairmanship where such arrangements are appropriate because of significant foreign policy considerations.

The U.S. Trade Representative’s authority was again enhanced through the Omnibus Trade and Competitiveness Act of 1988. Section 1601 of the 1988 legislation enumerated USTR’s responsibilities to include the following:

1. to have primary responsibility for developing and coordinating the implementation of U.S. international trade policy;
2. to serve as the principal advisor to the President on international trade policy and advise the President on the impact of other U.S. Government policies on international trade;
3. to have lead responsibility for the conduct of, and be chief U.S. representative for, international trade negotiations, including commodity and direct investment negotiations;
4. to coordinate trade policy with other agencies;
5. to act as the principal international trade policy spokesperson of the President;
6. to report and be responsible to the President and the Congress on the administration of

the trade agreements program, and to advise on nontariff barriers, international commodity agreements, and other matters relating to the trade agreements program; and

7. to be Chairman of the Trade Policy Committee.

The 1988 legislation also included a Sense of the Congress statement that the USTR be the senior representative on any body the President establishes to advise him on overall economic policies in which international trade matters predominate and that the USTR be included in all economic summits and other international meetings in which international trade is a major topic. Finally, this legislation further elevated the importance of USTR in trade matters by shifting to USTR the Presidential responsibility for implementing actions under Section 301, subject to specific direction, if any, from the President.

The Uruguay Round Agreements Act (URAA), enacted in 1995, specifies that USTR has lead responsibility for all negotiations under the auspices of the World Trade Organization (WTO). The conclusion of such major comprehensive trade agreements as the North American Free Trade Agreement (NAFTA) and the WTO Agreement has vastly expanded USTR's responsibility for implementation and enforcement.

B. Organizational Structure: a Management Overview of USTR

The Office of the U.S. Trade Representative is part of the Executive Office of the President, and the USTR holds Cabinet rank. From its inception, USTR has been a small, flexible, mission-focused, industrious, cost-effective, and customer-sensitive organization. With a Fiscal Year (FY) 1997 budget of only \$21 million and 164 Full Time Equivalent (FTE) staff members (with 160 positions filled as of July, 1997), the agency operates from a headquarters office in Washington, D.C. and a field office in Geneva, Switzerland, situated next to the World Trade Organization.

USTR is a matrix organization, organized on the basis of geographic and sectoral lines that intersect in the formation and coordination of policy, the negotiation of trade agreements and their enforcement. Staff support functions, including the General Counsel and the Chief Economist play important roles in all three stages of USTR's work. The organization itself is not hierarchical. The USTR, her three deputies, and the senior leadership work through the Assistant U.S. Trade Representatives that head 20 small offices, averaging about eight employees each.

USTR professional employees are considered trade policy experts, and they are empowered to negotiate with officials of other nations, work closely with the private sector, and provide leadership and direction to other federal personnel in trade-related agencies by coordinating trade policy developments through the interagency TPSC process.

More than two-thirds of USTR's annual budget pays for employee salaries and benefits, with virtually the entire balance spent on fixed operating expenses such as building rent, employee travel to negotiating sites, and maintenance of computer support.

CONSULTATION PROCESS

In the process of drafting its strategic plan, USTR sought comments from all relevant stakeholders, including the USTR staff, Congress, the Advisory Committee System (including business, NGOs, labor, state and local governments), the Government Accounting Office, and the 18 agencies that make up the Trade Policy Staff Committee (See Appendix I). In addition, USTR requested the plans of other agencies. We either met with these agencies or wrote them with suggestions on the trade portions of their plans. These consultations have resulted in a complete transformation of our strategic plan from the September 1996 version to the present form.

Internal Consultations

To set the parameters of the present plan, the September 1996 version of the plan was circulated to all staff members for their review and comment. The staff was asked the following questions:

- Does the mission statement match your views of USTR goals? Is it complete and clear enough to guide all employees?
- Do the nine lines of business (strategies) constitute a complete description of the general goals and objectives of the agency?
- Are the performance goals the best measures of USTR performance?
- What are USTR's top ten priorities over the next six years?

Assistant USTRs were asked to meet with their staffs to answer these questions and prepare for meetings hosted by the Chief of Staff. At five sessions with employees, grouped by function, the Chief of Staff was able to elicit concerns and target priorities. The vast majority of changes to the plan derive from these sessions. Policy input for the plan, including revision of the mission statement, creation of general objectives, definition of the nine strategies, discussion of how the strategies relate to resources, and the schedule of future program evaluations took place in a series of weekly meetings of 13 Assistant USTRs. Forty full-time permanent employees (25% of USTR's personnel) drafted input for the plan.

Congressional Consultations

The September 1996 plan was also the basis for consultation with our committees of jurisdiction: the Ways and Means Committee and the Senate Finance Committee. Staff comments included concrete criticism of the September plan's failure to meet the statute's requirements, the need for a link between resources and strategies, and the need to develop a list of priorities for the agency. Several staff members commented on concerns about how to train and retain USTR staff. USTR reviewed with the staff various measures of trade agreement effectiveness and the overall difficulty of using any one measure to evaluate USTR efficacy. Various drafts of USTR's plan were critiqued by the Ways and Means Committee, and their comments were incorporated immediately. In addition, USTR submitted plans to, and consulted with, other interested

committees, namely the House and Senate Appropriations Committees, House International Relations Committee, Senate Foreign Relations Committee, the House and Senate Commerce Committees, and the House and Senate Judiciary Committees.

Private Sector Consultations

The members of the 35 advisory committees that USTR consults with are among the most significant end-users of its products. They are also, by statute, part of a continuous process of consultation during the policy formulation and negotiation process. USTR sent all 824 members of the committees the September draft for comment, posing the same set of questions asked of the USTR staff. In addition, the chairmen of the Industry Sector and Functional Advisory Committees (ISAC and IFAC) and the staffers of the President's Advisory Committee on Trade Policy Negotiations (ACTPN) were briefed orally on the GPRA legislation and how USTR intended to meet its requirements.

The advisors' suggestions included:

- Prioritize USTR activities and functions, particularly the negotiations in which USTR participates, and allocate resources accordingly;
- Build public support for USTR and U.S. trade policy by creating a strategy for communicating with the general public;
- Reinvigorate the interagency process; and
- Invest in training for negotiators to address new cross-cutting regulatory functions, such as competition policy, biotechnology, telecommunications, financial services, and the trade-related aspects of environment.

Another theme that permeated the majority of advisor comments and was reiterated by several Congressional staffers was a concern about the lack of resources at USTR. The advisors believe that USTR employees suffer from excessively burdensome workloads because of insufficient legal and professional staff. Both Congressional staff and advisors are concerned about the consequences of such workloads, i.e., the danger of burnout and the departure of seasoned negotiators.

GAO Consultations

The GAO review of USTR's September plan was thorough and left clear the plan's insufficiencies. Only two of the areas required by law were adequately covered. The plan did not reflect consultations with other agencies and neglected to address how the agency would manage its growing workload with reduced resources. GAO also raised concerns about USTR's means of measuring progress.

USTR met several times with GAO evaluators and incorporated many changes into the next draft.

USTR has worked with GAO to identify discrete long-term objectives and clear, measurable strategies for their achievement. Using the advice of our evaluators, USTR has also included in the plan a schedule for future agency evaluations, which will ensure that the Agency's strategic goals are performing their function of focusing employee performance in the most constructive areas.

GAO suggested that in the mission statement USTR link its activities to the general public, which it now has done. GAO urged that USTR link key external factors to 5-year goals, and that has been incorporated into the plan. The Agency has tried to address GAO's observation that the September 1996 plan did not explain how resources will be used to achieve agency goals, in terms of who will do what, when they will do it, and how.

The Interagency Process

The agencies that comprise the TPSC/TPRG interagency mechanism are another important group of stakeholders. USTR sent all members the plan, and in return, USTR has commented on plans from Agriculture, Commerce, EPA, Justice, State, and Treasury. A meeting was held with State to ensure no duplication of functions and address resource concerns, and letters to the same effect were sent to the remaining agencies in the list above.

The meeting with the State Department attempted to clarify our respective statutory authorities, including those on investment. The rest of the meeting was devoted to devising ways in which our two agencies could share resources. Both sides feel that "cross-pollination" of employees is necessary to give each agency another perspective. USTR proposed the creation of a "trade track" at State. This would involve the detailing of State employees to USTR for at least a year, after which they would be sent to various trade-related posts in Washington and overseas. This proposal would make maximum use of the training USTR invests in its detailees by assigning them to a trade-related position in the Department. USTR also asked the State Department for advice on how to write evaluations of State detailees, with a view to better rewarding the work of these individuals.

Given the extensive suggestions and comments from USTR's GAO evaluators, Congressional committees of jurisdiction, and stakeholders, USTR feels confident that no aspect of its role or activities has been left out of the plan. Through anticipated exchanges with fellow agencies, USTR will further assure that its activities meet its mission and general goals without overstepping the bounds of its legislative authority.

RELATIONSHIP OF THE ANNUAL GOALS TO THE GENERAL OBJECTIVES

Objective I - Formulate the trade policy of the United States to advance the national economic interest and to reflect fully the views of the Executive Branch, Congress, and the private sector.

The formulation of trade policy is a complex process involving several government agencies and affecting almost all Americans. To achieve this objective, USTR defined 13 annual goals; these are separated into three strategies.

The first set of annual goals establishes the necessity of grounding U.S. trade policy in sound economic analysis. Ensuring that USTR negotiators are aware of the economic consequences of agreements and individual provisions will produce agreements that are more effective in promoting the growth of the U.S. economy. The economic rationale behind all recently concluded agreements and their relevance to everyday Americans, i.e., how the agreements improve the economy and help the individual American worker, will be summarized in the trade policy report, produced annually in the spring.

A second set of annual goals addresses the interagency process. As stated above, many agencies contribute to the formulation of trade policy. Each agency has unique ideas related to trade, and it is USTR's responsibility to coordinate and draw from these various sources of expertise. Complete participation in the interagency process ensures maximum efficiency in government: the individual agencies complement each other's work, and unnecessary duplication of functions/activities is minimized. Another group of annual goals identifies trade-related regulatory issues. This is the first step in the integration of these disciplines into the trading system.

A third set of annual goals speaks to the role of Congress in trade policy. Without enabling legislation, negotiated agreements will never reach implementation. Further, the authority to (re)allocate resources lies partially with the Congress: USTR's political staff must be confirmed in the Senate, and the Congress must approve all Executive Office budget requests. Consequently, USTR engages Congress on a daily basis to best assure that our objectives are being clearly communicated.

Objective II - Negotiate trade and investment agreements which advance the national economic interest by addressing policies that dismantle foreign trade barriers. Monitor, enforce, and, where necessary, modify these agreements to ensure the intended benefits are achieved.

Creating new opportunities for U.S. commerce involves the identification and dismantling of barriers to trade and investment. This objective is addressed through annual goals that describe numerous multilateral, bilateral, and sectoral trade agreements, in various stages of completion, all with the same long-term goal of reducing or eliminating some trade barrier. USTR also

participates in the negotiation of non-trade agreements, e.g., multilateral environmental agreements.

A critical factor in attaining this objective is the monitoring and enforcement of trade agreements described in USTR's four annual goals. Approximately 50 disputes, filed in the WTO and the NAFTA, will be adjudicated this year. The final set of annual goals in this section addresses the administration of U.S. trade laws which are designed to ensure compliance with U.S. trade agreement rights and obligations.

Objective III - Open clear lines of communication related to U.S. trade policy and investment goals with the Congress, the private sector, the media, and the general public.

While USTR often enjoys wide support in the Congress and the private sector, the Agency has greater difficulty communicating in a targeted fashion with the American public. In order for Americans to be truly confident in U.S. trade policy, USTR must find effective solutions to the trade and investment problems brought to its attention and communicate its successes to the affected parties. Twelve annual goals help us to attain this objective.

To further bolster confidence and support for trade and investment policy, USTR must increase the transparency of its activities. The Agency's Internet home page will be updated to be more user-friendly, and all reports, statements, and testimony will be made readily accessible. These documents explain the relevance and benefits of U.S. trade policy to the average American, and thus are essential to gaining widespread public support.

USTR's Advisory Committee system is an excellent example of a specialized type of outreach. The system does a remarkable job of allowing USTR to communicate its agenda to the advisors, and they, in turn, comment on the agreements being negotiated and on various trade and investment problems they may be experiencing.

Objective IV - Tailor internal management to support, train, and retain highly motivated employees who can carry out negotiating and supervisory responsibilities within the trade policy community.

No agency, private or public, can survive without an office environment that meets its distinct needs. To this end, USTR, through its annual goals, will maintain its commitment to improve the physical security of its offices, provide flexible work schedules, and sharpen the skills necessary for employees to succeed. New employee training programs will be initiated; veteran employees will be briefed on new techniques for performing their duties, e.g., new negotiating tactics; computers will be loaned for business use at home to provide greater flexibility; and new physical office security projects will continue to be funded.

Finally, USTR will look for ways to encourage employees to deal not only with major Agency crises, but with the more routine, but important, demands on their time (answering

correspondence, complying with Freedom of Information Act (FOIA) requests, etc). Annual office performance plans will incorporate responsibility for these routine work processes as well as for GPRA.

Links to the Budget and Unintended Negative Effects

In the annual plan USTR will link the annual performance goals to the budget's program activity structure. USTR's annual goals do not cover reducing unintended negative effects because none have been identified.

CROSS-CUTTING FUNCTIONS

USTR'S Interagency Function

USTR's interagency function is clearly defined in its enabling statute and is not duplicated by any other agency. Some clarification is necessary with regard to the National Economic Council (NEC). Created at the start of the Clinton Administration, the NEC operates as a White House entity and has as its members all Cabinet agencies with economic responsibilities. The NEC is the final level of review. To preserve continuity, USTR needs to coordinate with the NEC to ensure that issues elevated to its level have already been discussed at the TPSC and/or TPRG.

USTR also participates in the Trade Policy Coordination Committee (TPCC), chaired by the Commerce Department. The TPCC brings together federal trade promotion and finance programs to help our private sector compete on a level playing field. Here, USTR provides trade policy leadership and negotiating expertise. USTR participates at the Deputy USTR level to develop and recommend timely and appropriate action in response to export opportunities. The Trade Representative is the Vice Chairman of the Overseas Private Investment Corporation (OPIC), and a member of the National Advisory Committee (NAC) on International Monetary and Financial Policies.

USTR's Negotiating Function

GPRA requests that agencies specifically identify agency functions and programs that are similar to those of other agencies. In this regard, USTR maintains a unique negotiating function that derives from its various legislative mandates. The GPRA process has revealed some problems in the area of investment with other agencies, particularly State and Treasury. We continue to consult with the State Department with a view to reaching final agreement on trade and investment issues.

RELATIONSHIP OF RESOURCES TO STRATEGIC PLAN

The President's FY 1998 budget request for USTR was \$22.1 million and 164 Full Time Equivalent (FTE) staff. More than two-thirds of the budget pays for employee salaries and benefits, and the remaining third supports office rent and utilities, employee travel and other day-to-day office expenses.

Complementing the funded FTEs are 30 detailees assigned from the Departments of State (10), Agriculture (7) and Commerce (4), the International Trade Commission (2), and a variety of other Federal agencies (7). These details are "non-reimbursable" (at little or no cost to USTR), as the loaning agency pays for the detailee's salary and benefits. Detailees benefit both USTR and the loaning agency. They add subject, geographic and legal expertise to USTR's core permanent staff, while the detailee receives a valuable training and job experience in trade negotiation, coordination and enforcement. In recent years, loaning agencies have reduced the number of personnel they detail to USTR.

To address the relationship between resources and the nine strategies identified in the Strategic Plan, the AUSTR group reviewed the responsibilities of each USTR employee and linked the employee to the strategy that accounted for at least 70 percent of the employee's time. Support staff were linked to the function of their principals. This exercise provided a rough estimate of the resources currently allocated to such strategies. The results of the review were as follows:

FY 1997 Allocation of Staff Resources by Strategy (in percentage of funded FTEs)

Strategy 1:	Policy Formulation	4.5%
Strategy 2:	Policy Coordination	3.3%
Strategy 3:	Engage Congress	3.9%
Strategy 4:	Negotiate Agreements	47.1%
Strategy 5:	Enforce and Defend	8.5%
Strategy 6:	Administer Trade Laws	5.9%
Strategy 7:	Assist in Trade Problems	5.9%
Strategy 8:	Communicate with Public/Private .	9.8%
Strategy 9:	Create Work Environment	11.1%

The process of quantifying the relative number of staff resources currently allocated to the nine strategies in this Strategic Plan has revealed some clear staff allocation requirements.

First, the AUSTR Committee agreed that the areas most in need of resources were the negotiation function and the enforcement function (Strategies 4 and 5). In the area of negotiation, a comparison of the negotiating timetables to implement the WTO and the NAFTA (See Appendices V and VI) shows that there will be a shortage of certain types of negotiators (e.g. market access, services, standards, government procurement). This shortage intensifies with the addition of negotiations in the FTAA and APEC. Resource needs for negotiators that can navigate in a regulatory environment will also increase. The training and recruitment of these

negotiators will also be an additional management challenge. USTR will begin identifying these resource needs specifically in its annual planning process.

Without doubt, the area in greatest need of immediate resources is Strategy 5 (Enforcement), as demonstrated by the fact that last year the number of new complaints filed was 22 -- more than seven times the previous five-year average. However, despite the fact that USTR has assumed this major new litigation role, it has virtually the same number of lawyers that it had when USTR was handling only a few cases a year. USTR currently has 12 lawyers in Washington, D.C. and 2 lawyers in Geneva devoted to this effort, plus one lawyer managing its enforcement unit. Only two of these lawyers are able to devote full time to litigation; the others have to juggle normal general counsel responsibilities, including drafting and monitoring trade agreements, serving as counsel in trade negotiations and providing legal advice for the agency.

In addition, the litigation of WTO cases is extremely resource-intensive: the time frame for a WTO dispute involves a 60 day consultation period, short deadlines for writing briefs, 3-4 hearings in Geneva, and a 60-day appeals process. USTR needs to develop a highly trained corps of litigators who become expert at brief-writing and oral argument. New positions need to be created in FY 1998 for 7 lawyers, 1 legal secretary and 2 paralegals. Moreover, filling these positions will allow increased attention to be given to monitoring compliance with trade agreements by our trading partners.

A comparison of multilateral and bilateral negotiations projected over the next five years (See Strategy V) revealed that soon USTR will also lack sufficient core negotiators to carry out the goals envisioned in this Plan. Four types of key negotiators were identified by the AUSTR group -- those with expertise in: market access, services, standards and government procurement. The AUSTR group recommended that the USTR consider requesting additional funds for these negotiators in FY 1998 so that the negotiators will be in place for the launch of the FTAA negotiations in Santiago in March 1998. Finally, USTR is committed to establishing an Assistant U.S. Trade Representative for Africa.

Another serious resource issue involves the increased activity under the auspices of the Freedom of Information Act (FOIA) and the demands that it puts on individual offices and on the policy coordination function. As of mid July 1997, USTR has already received 35 FOIA requests for calendar year 1997. If this rate continues, USTR will far exceed last year's mark of 55 requests. To help USTR staff service these requests, the agency has: acquired a FOIA lawyer on detail from the Justice Department, held required briefings for employees, and reassigned one employee to serve as a FOIA Assistant. USTR may need to revisit resources for FOIA as part of the three year update of this Plan in order to evaluate whether the resource level is still appropriate.

Thus, the very process of internal examination precipitated by the GPRA has already had a constructive effect on USTR's allocation of resources. By re-examining the statutory mission, by developing strategies and goals and by consulting with stakeholders, USTR identified priority staffing needs essential to carrying out the goals set forth in the Strategic Plan. In fact, addressing these staffing needs before implementing the Strategic Plan became so important that USTR, in collaboration with the Office of Management and Budget, agreed on a resource plan to

immediately improve the relationship of resources to the objectives of the Strategic Plan. Based on that agreement, the President transmitted an FY 1998 budget amendment that would provide \$1.7 million and an additional 16 full time equivalent (FTE) staff for USTR.

The additional resources provided by the President's budget amendment would provide 10 FTEs for litigation (Strategy 5), 4 FTEs for core negotiator functions (Strategy 4) and 2 FTEs for establishing an Assistant USTR for Africa (Strategy 4), all as described above.

The FY 1998 budget amendment also gives USTR new opportunities to reallocate existing staff resources to meet the other staffing priorities identified by the AUSTR Committee, including those associated with meeting rising FOIA workloads. USTR will continue to evaluate the matter of staff requirements over the duration of the Strategic Plan, and in the future may recommend changes from the aggregate 180 FTE level, based on the outcome of annual appropriations and discussion on negotiating authorities.

Prioritization of Trade Objectives

Integral to the GPRA Strategic Planning process is a thorough examination of the mission, the statutory mandates from the Congress and a judgment about the appropriate allocation of resources to carry out the mandates.

USTR has taken the GPRA planning process seriously, dedicating months of time and virtually all of its senior staff to this examination. As perhaps intended by the GPRA law itself, the very process of analysis and examination has been extremely valuable to USTR, revealing fresh insights into management problems that the agency has faced in recent years. Three inescapable conclusions result from this process:

First, USTR's statutory charges and its mission are clear and widely understood by the agency's employees. This clarity comes from the concise and unambiguous language of the various trade statutes under which USTR operates, as well as the legislative history contributing to those statutes.

Second, the nine strategies that serve as the backbone of the Strategic Plan are drawn directly from the statutes. Programmatic strategies flow directly from them, as does USTR's authorities and responsibilities.

Third, there has been a mismatch between the statutory mandates and the level of resources available to carry out those charges. The President's FY 98 budget amendment that would add \$1.7 million and 16 FTEs to USTR's FY 1998 budget addresses the issues of mismatched resources. Based on the action of that amendment, USTR is prepared to implement this Strategic Plan with the revised 180 FTE level. However, adjustments in those resource levels or in the allocation of resources to different statutorily-mandated activities, may be needed in coming years. A review of such allocations will be done each year.

USE OF EVALUATIONS IN THE USTR PLAN

USTR used evaluations to set its general objectives, particularly for General Objective IV. These include: a 1996 Family Friendly Survey Questionnaire, a Department of Justice/General Services Administration Vulnerability Assessment, the National Performance Review, a Department of State audit of the Botanic building, an internal employee survey on office automation, and a survey on computer operations.

Other general objectives were drawn from responses to an employee survey on the mission, lines of business, and priorities of USTR. Additional data came from a survey of USTR advisory committees, asking the same set of questions. USTR reviewed analytical work done by the General Accounting Office (GAO) on its policy initiatives to help define strategies and goals and consulted closely with its examiners.

The strategic plan has additional sections that focus on future evaluations. These evaluations were drawn up by USTR staff and have been placed in priority order.

SCHEDULE FOR FUTURE EVALUATIONS

The following is a list of evaluations drawn from the plan to be conducted annually over the next five fiscal years.

- Review the extent to which the trade policy agenda reflects criteria laid out for its prioritization (e.g., expected U.S. economic benefit, contribution to global trading system, expectation of negotiating success, consistency with legislative obligations).
- Survey of TPSC/TPRG member agency views concerning the satisfactory operation of the interagency trade policy process.
- Hold consultations with USTR's committees of jurisdiction to discuss and solicit comment on the quality of both the process and the substance of USTR's communication with Congress.
- Seek views of private sector advisory committees and Congressional committees of jurisdiction on the status of work in each area of multilateral negotiations to ascertain if the work is meeting U.S. national interests.
- Seek views of private sector advisory committees and Congressional committees of jurisdiction on all regional, plurilateral, and bilateral negotiations to ascertain if U.S. national interests and specific sectoral interests are being met;
- Review and appraise the degree of U.S. success in enforcing U.S. rights and defending U.S. interests through WTO mechanisms and resolving problems, including through dispute settlement.
- Survey federal trade agencies to determine the effectiveness of trade agreement monitoring activities.
- Survey USTR's advisory committees and the primary state and local representatives with which USTR deals to evaluate the level of service and responsiveness that USTR is providing.
- Evaluate through a survey the satisfaction of the public and press.
- Analyze each office's and manager's performance in meeting annual performance goals.

The following evaluations will occur on a case-by-case basis or on set dates, rather than annually.

- Recommendations of the National Performance Review concerning interagency coordination are implemented.
- 1/1/01-- Sec. 125 of the URAA requires the USTR to report on the operation of the WTO after the end of the 5-year period beginning on the date on which the WTO Agreement enters into force for the United States and every five years thereafter. The report is to focus on the WTO's effects on U.S. interests, the costs and benefits of U.S. participation and the value of continued participation.
- Review the required statutory support for Agreements secured, pursuant to Section 115 of the URAA, and other mandates as required by the Statement of Administrative Action (SAA).
- Evaluate use made of U.S. trade laws, and counsel companies and workers on how to best use these laws.
- Evaluate factual content of news stories to determine if facts are being properly conveyed.
- Evaluate employee assessment of training courses; employee surveys about family friendly work accommodations; and evaluations of building security by experts in the field.
- Monitor processing times for basic and recurring computer network applications. Survey employees for their assessment of systems performance and their preferences for computer applications to help them perform their jobs more effectively.

DATA CAPACITY AND MANAGEMENT

The GPRA process has heightened USTR interest in reliable information sources that can provide the data necessary to apply USTR's performance measures and otherwise implement its plan. This accounts for the baselines created in the future evaluations section of the plan. Examples of this include the following:

- Review and appraise the degree of U.S. success in enforcing U.S. rights and defending U.S. interests through WTO mechanisms and resolving problems through dispute settlement;
- Create a prioritized trade policy agenda for the next five years and update it yearly.
- Establish a baseline for communication between USTR and the private sector advisory committees;

Major Management Problems

USTR has not been identified as a high-risk program that is vulnerable to waste, fraud, and/or mismanagement. USTR's annual budget does not include grant-in-aid programs, loans or funding for major information technology or procurement.

In addition, USTR's salary and expense activities have not been the subject of Inspector General Findings over the years. USTR has been periodically reviewed by outside evaluators. The strategic plan acknowledges recent assessments by the President's National Performance Review, the National Security Agency, and the State Department Inspector General. The plan incorporates into its goals improvements suggested by those assessments.

APPENDIX I:

**EXECUTIVE BRANCH AGENCIES ON THE TRADE POLICY
COMMITTEE**

Department of Commerce
Department of Agriculture
Department of State
Department of Treasury
Department of Labor
Department of Justice
Department of Defense
Department of Interior
Department of Transportation
Department of Energy
Department of Health and Human Services
Environmental Protection Agency
Office of Management and Budget
Council of Economic Advisers
International Development Cooperation Agency
National Economic Council
National Security Council
Chairman -- Office of the United States Trade Representative
U.S. International Trade Commission (non-voting member)

APPENDIX II:

CONGRESSIONAL COMMITTEES REGULARLY CONSULTED ON TRADE POLICY

Primary jurisdiction:

- House Ways and Means Committee
- Senate Finance Committee
- Leadership Office of the House
- Leadership Office of the Senate

Other House committees:

- Appropriations
- Agriculture
- Banking
- International Relations
- Judiciary
- Commerce

Other Senate committees:

- Appropriations
- Agriculture
- Banking
- Commerce
- Foreign Relations
- Judiciary
- Environment and Public Works

APPENDIX III:
LIST OF ADVISORY COMMITTEES

	<u>Coordinating Agency</u>	<u>Members</u>
Advisory Committee for Trade Policy and Negotiations (ACTPN)	[USTR]	40
Agricultural Policy Advisory Committee for Trade (ATPA)	[Agriculture]	47
Agricultural Technical Advisory Committee for Trade (ATAC)	[Agriculture]	115
in Animal and Animal Products		23
in Fruits and Vegetables		25
in Tobacco, Cotton and Peanuts		24
in Sweeteners		15
in Grains, Feed and Oilseeds		28
Defense Policy Advisory Committee for Trade (DPACT)	[Defense]	12
Industry Functional Advisory Committee (IFAC)	[Commerce]	
IFAC 1: Customs Matters		16
IFAC 2: Standards		16
IFAC 3: Intellectual Property Rights		19
Industry Policy Advisory Committee (IPAC)	[Commerce]	20
Industry Sector Advisory Committees (ISACs)	[Commerce]	
ISAC 1: Aerospace Equipment		21
ISAC 2: Capital Goods		17
ISAC 3: Chemicals and Allied Products		30
ISAC 4: Consumer Goods		17
ISAC 5: Electronics and Instrumentation		23
ISAC 6: Energy		16
ISAC 7: Ferrous Ores and Metals		24
ISAC 8: Footwear, Leather and Leather Products		17
ISAC 9: Building Products and Other Material		12
ISAC 10: Lumber and Wood Products		19
ISAC 11: Nonferrous Ores & Metals		19
ISAC 12: Paper and Paper Products		10
ISAC 13: Services		24
ISAC 14: Small and Minority Business		26
ISAC 15: Textiles and Apparel		22
ISAC 16: Transportation, Construction and Agricultural Equipment		14
ISAC 17: Wholesaling and Retailing		14
Intergovernmental Policy Advisory Committee (IGPAC)	[USTR]	34
Investment and Services Policy Advisory Committee (INSPAC)	[USTR]	32
Labor Advisory Committee (LAC)	[Labor]	95
Trade Advisory Committee for Africa (TACA)	[USTR]	13
Trade and Environment Policy Advisory Committee (TEPAC)	[USTR]	28
TOTAL MEMBERS		824

APPENDIX IV:

TRADE-RELATED REPORTS

(Due in 1997)

- January 1
(see also
July 1)
- Semiannual Report on Section 301 Program**, -- 19 U.S.C. 242419, Trade Act of 1974
- The Trade Representative shall submit a report to the House of Representatives and the Senate semiannually describing: the petitions filed and the determinations made (and the reasons therefor) under Section 302; developments in, and the current status of, each investigation or proceeding under this chapter; the actions taken, or the reasons for no action, by the Trade Representative under section 301 with respect to investigations conducted under this chapter; and the commercial effects of actions taken under section 301.*
- February 1
- Subsidies Enforcement** -- Notification, Consultation and Publication -- Annual Report -- 19 U.S.C. § 3571(f)(4), added by the Uruguay Round Agreements Act, Pub. L. 103-465, Sec. 281(f)(4) (108 Stat. 4926)
- No later than February 1 of each year beginning in 1996 the USTR and the Dept. of Commerce shall issue a joint report to Congress detailing the subsidies practices of major trading partners and the monitoring and enforcement activities of the USTR and Commerce during the preceding calendar year which relate to subsidies practices.*
- March 1
- Annual Trade Projection Report** -- 19 U.S.C. § 2213(b)(1), Trade Act of 1974
- On or before March 1 of each year, the USTR and the Treasury Dept. must prepare a joint report for the Senate Finance Committee and the House Ways & Means Committee analyzing the balance of trade for merchandise, goods and services; the balance on the current account; the external debt position; the exchange rates; economic growth rates; the deficit or surplus in the fiscal budget; and the impact of market barriers and other unfair practices on U.S. trade.*
- March 1
- Annual Report on the WTO** -- 19 U.S.C. § 3534, added by the Uruguay Round Agreements Act, Pub. L. 103-465, Sec. 124 (108 Stat. 4832)
- Not later than March 1 of each year beginning in 1996 the USTR shall submit a report to Congress describing, for the preceding fiscal year of the WTO, the major activities and work programs of the WTO, the percentage of budgetary assessments by the WTO that were accounted for by each WTO member, the status of consultations with any state whose law was the subject of a report adverse to the U.S., etc.*
- March 1
- Annual Report on Trade Agreements Program and National Trade Policy Agenda** -- 19 U.S.C. § 2213(a), Trade Act of 1974

No later than March 1 of each year, the President must submit a report to Congress on the operation of the Trade Agreements Program, the provision of import relief and adjustment assistance to workers and firms under the Trade Act, and the national trade policy agenda for the year that the report is submitted.

Report is to include, per the Uruguay Round Agreements Act, Pub. L. 103-465: (1) a section on TRIMS (per the SAA); (2) a list of persons serving on the WTO Appellate Body, and (3) the indicative list of panelists maintained by the WTO Secretariat (per Section 123(a), 19 U.S.C. § 3533(a)).

On or about
March 15 **Semi-annual Report on Implementation of the U.S. - Japan Automotive Agreement**

In a press release dated September 6, 1995, the Administration established an Interagency Enforcement Team headed jointly by USTR and the Department of Commerce to monitor this agreement, and committed to publicly releasing an assessment of progress in all areas covered by the Automotive Agreement.

March 31 **National Trade Estimate Report** -- Estimates of barriers to market access --
19 U.S.C. § 2241(a) and (b), Trade Act of 1974

On or before March 31 of each year, the USTR must prepare a report for submission to the Senate Finance Committee, the appropriate House committees, and the President setting forth the National Trade Estimate i.e., its analysis of market access barriers and the estimate of the trade-distorting impact of such barriers on U.S. commerce.

(1) *Report is to include, per the Uruguay Round Agreements Act, Pub. L. 103-465: a section on foreign anticompetitive practices, the toleration of which by foreign governments is adversely affecting exports of U.S. goods and services (per Section 311(a)(1)(C), 19 U.S.C. § 2241(b)(2)(C)).*

March 31 **Section 1377** -- Review of Trade Agreement Implementation by Trade Representative -- 19 U.S.C. §3106, Sec. 1377 of the Telecommunications Trade Act of 1988, Pub. L. 100-418, as amended by Pub. L. 103-465

On or before March 31 of each year, USTR must identify countries that fail to comply with any trade agreements regarding telecommunications under Section 1377 of the 1988 Telecommunications Trade Act.

On or about
April 30 **Special 301 Report** -- Identification of Countries that Deny Adequate Protection, or Market Access, for Intellectual Property Rights -- Annual Report -- 19 U.S.C.

§2242(g), as amended by the Uruguay Round Agreements Act, Pub. L. 103-465, Sec. 313 (108 Stat. 4938)

No later than 30 days after the date on which the annual NTE report is submitted to Congress, the USTR must submit a report to the House Ways and Means Committee and the Senate Finance Committee on actions taken under this section, and the reasons therefor, during the 12 months preceding. The report shall include a description of progress made in achieving improved intellectual property protection and market access for persons relying on intellectual property rights.

May 1 **Future Free Trade Area Negotiations** -- Report on Significant Market Opening -- Trade Representative Report -- 19 U.S.C. §3317(b)(2), (3), NAFTA Implementation Act, Sec. 108 (b)(2), (3)

No later than May 1, 1994, and May 1, 1997, the Trade Representative shall submit to the President, and to the Senate Committee on Finance and the House Committee on Ways and Means, a report which lists those foreign countries that currently provide fair and equitable market access for U.S. exports of goods and services and opportunities for export-related investment by U.S. persons, beyond what is required by existing multilateral trade agreements or obligations; or have made significant progress in opening their markets to U.S. exports of goods and services and export-related investment by U.S. persons; and the further opening of whose markets has the greatest potential to increase U.S. exports of goods and services and export-related investment by U.S. persons, either directly or through the establishment of a beneficial precedent.

On the basis of this report, the President shall determine with which foreign country or countries, if any, the United States should seek to negotiate a free trade agreement or agreements.

June 3 **MFN for China, Albania, Belarus, Moldova, Kazakstan, Kyrgyzstan, Ukraine, Turkmenistan, Tajikistan, Uzbekistan, Armenia, Azerbaijan, and Georgia -- Jackson-Vanik Amendment** -- Freedom of Emigration in East-West Trade -- Presidential Determination and Report to Congress that a Nation is not Violating Freedom of Emigration -- 19 U.S.C. § 2432(c), Trade Act of 1974

The President is authorized to waive by Executive Order the requirement to deny MFN treatment to a Nation if he has determined that such waiver will substantially promote the objectives of the statute and has received assurances that the emigration practices of the affected country will lead substantially to the achievement of the objectives of the statute. Such waiver terminates on July 3, 1997, unless notice is given 30 days in advance (i.e., by June 3) of the President's recommendation to extend the waiver for an additional 12-month period. This report is prepared by the State Dept. and reviewed by USTR.

June 30 **MFN for Mongolia and Russia -- Jackson-Vanik Amendment** -- Freedom of

Emigration in East-West Trade -- Presidential Determination and Report to Congress that a Nation is not Violating Freedom of Emigration -- 19 U.S.C. § 2432(b), Trade Act of 1974

In order for a nonmarket economy country to be eligible for MFN treatment and other beneficial programs, the President must submit a report to Congress indicating that such country does not deny its citizens the right or opportunity to emigrate, does not impose more than a nominal tax on emigration, visas or other emigration documents, and does not impose more than a nominal tax, fine or other charge on any citizen as a consequence of that citizen's desire to emigrate. This report is prepared by the State Dept. and reviewed by USTR, and must be submitted on or before June 30 and December 31, so long as MFN treatment or other benefits are extended.

July 1 **Semiannual Report on Section 301 Program**, -- 19 U.S.C. 242419, Trade Act of 1974

See entry under January 1.

July 1 **Study and Review of the North American Free Trade Agreement** -- Presidential Report to Congress on the Operation and Effects of the NAFTA -- (Public Law 103-182; 107 Stat 2155; 19 U.S.C. 3462)

Section 512 of the implementing bill requires the President to undertake a comprehensive study of the operation and effects of the NAFTA three years after its entry into force and report the results to Congress no later than July 1, 1997. The study will assess the net effect of the agreement on the economy of the United States, including GNP, trade and current account balances, exports, competition and employment. The study should also examine NAFTA-induced shifts in investment, in or out of the U.S., and their impact on particular industries, employment, productivity and wages. In addition, Section 512 requires an assessment of NAFTA effects on real wages and working conditions in Mexico, and on protection of workers and the environment.

July 1 **Report on Impact of NAFTA on Motor Vehicle Exports to Mexico** -- Trade Representative Report -- NAFTA, Sec. 514(b)

No later than July 1, 1995, and annually thereafter until 1999, the USTR must submit a report to the Senate Finance Committee and the House Ways and Means Committee on how effective the provisions of the Agreement are with respect to increasing U.S. exports of motor vehicles and motor vehicle parts to Mexico.

July 1 **Future Free Trade Area Negotiations** -- Recommendations on Future Free Trade Area Negotiations -- Presidential Report -- 19 U.S.C. §3317(b)(4), NAFTA Implementation Act, Sec. 108 (b)(4)

No later than July 1, 1994, and July 1, 1997, the President shall submit to the Senate Committee on Finance and the House Committee on Ways and Means a written report that contains recommendations for free trade area negotiations with each country selected by the President from the USTR report submitted on May 1; with respect to each country selected, the specific negotiating objectives that are necessary to meet U.S. general negotiating objectives; and legislative proposals to ensure adequate consultation with Congress and the private sector during the negotiations, advance Congressional approval of the negotiations recommended by the President, and Congressional approval of any trade agreement entered into by the President as a result of the negotiations.

On or about **Semi-annual Report on Implementation of the U.S. - Japan Automotive**
September 15 **Agreement**

See March 15 entry.

On or about **Super 301 Report** -- Identification of Trade Expansion Priorities -- Exec. Order
September 30 No. 12973, Sept. 27, 1995, 60 F.R. 190, amending Exec. Order No. 12901,
March 3, 1994

Within 6 months of the submission of the NTE report in 1996 and 1997, the USTR shall submit to the Senate Finance Committee and the House Ways and Means Committee, and shall publish in the Federal Register, a report on foreign country practices identified as "priority foreign country practices" whose elimination has the most significant potential to increase US exports.

December 4 **Triennial Report** -- Operation of the Andean Trade Preferences Act, Pub. L. 102-182, Sec. 203(f) (105 Stat. 1239)

On or before the 3rd, 6th and 9th anniversaries of the date of enactment of this title (December 4, 1991), the President must make a report to Congress concerning the operation of the Program. The President has delegated the preparation of this report to the USTR. 3rd anniversary = Dec. 4, 1994; 6th anniversary = Dec. 4, 1997; 9th anniversary = Dec. 4, 2000.

December 8 **Africa Trade and Development Policy** -- Annual Reports to Congress --
19 U.S.C. §3554(b), added by the Uruguay Round Agreements Act, Pub. L. 103-465, Sec. 134(b) (108 Stat. 4840)

Not later than 12 months after Dec. 8, 1994, and annually thereafter for a period of 4 years, the President shall submit to the House Ways and Means Committee, the House Foreign Affairs Committee, the Senate Finance Committee, the Senate Foreign Relations Committee, and other appropriate committees, a report on the steps taken to develop and implement a comprehensive trade and development policy for the countries of Africa.

December 31 **MFN for Mongolia and Russia - Jackson-Vanik Amendment** -- Freedom of Emigration in East-West Trade -- Presidential Determination and Report to Congress that Nation is not Violating Freedom of Emigration -- 19 U.S.C. § 2432(b), Trade Act of 1974

See entry for June 30 above.

APPENDIX V:

ONGOING WORK OF WTO COMMITTEES³

Committee	Regular Implementation Activity
General Council	Continuous review of issues raised by delegations. Annual review of waivers granted for otherwise inconsistent measures.
Council for Trade in Goods	Regular oversight of all goods-related committees and bodies and review of requests for waivers relating to implementation of Harmonized System and renegotiation of tariff schedules.
Council for Trade in Services	Regular oversight of all services-related committees and bodies and evaluation of compatibility of economic integration agreements with the GATS. Will also undertake preparations for next round of comprehensive services negotiations, commencing not later than 1/1/2000.
Council for Trade-Related Aspects of Intellectual Property Rights (TRIPs)	Regular monitoring of both initial and phased-in implementation of TRIPs obligations, including the accelerated implementation by certain Members, review of national laws and regulations and of implementation of “mailbox” and exclusive marketing rights provisions of the Agreement.
Dispute Settlement Body (DSB)	Establishes dispute settlement panels, adopts panel and Appellate Body reports, oversees implementation of panel recommendations adopted by the DSB and, where appropriate, authorizes “retaliation” in cases of non-compliance with adopted rulings.
Trade Policy Review Body	Annual review of the trade policy regimes of 10-12 countries. Quad countries are reviewed every two years; next 20 countries in terms of trade volume are reviewed every four years; and remaining countries are reviewed every six years.
Balance of Payments (BOP)	Annual or biennial review of each country invoking balance of payments provisions.

³ The activities referred to in this table represent aspects of the routine, ongoing work of WTO committees and other subsidiary bodies. Special work programs relating to the “built-in agenda” of the WTO are identified in an accompanying table.

Committee	Regular Implementation Activity
Budget, Finance and Administration	Prepares annual WTO budget and oversees management of all financial matters necessary for the operation of the WTO and its related bodies, such as external auditing, arrearages in Member payments, management of trust funds and financial and management aspects of determining conditions of service for WTO Secretariat personnel.
Trade and Development (CTD)	Periodic review of the situation of developing countries in the multilateral trading system, including review and improvement of technical cooperation and assistance efforts.
Regional Trade Agreements	Systematic review upon entry into force of free trade agreements, customs unions and economic integration agreements for their compatibility with WTO requirements, followed by biennial reviews of existing agreements.
Safeguards	Ongoing review of Members' new or amended safeguards legislation, of phase-out of pre-existing "gray area" measures, and of notifications of safeguards actions.
Market Access	Ongoing review of implementation of tariff concessions by WTO Members and any modifications or corrections to the tariff schedules (e.g. from update to the Harmonized System nomenclature). Develop electronic procedure for reporting and reviewing information to expand scope and efficiency of review. Ad hoc review of biennial notification of non-tariff measures.
Textiles Monitoring Body (TMB)	Review of overall implementation of the Agreement on Textiles and Clothing, including bilateral agreements reached in conjunction with special safeguards actions and the implementation of market access and anti-circumvention commitments.
Anti-dumping	Ongoing review of Members' new or amended antidumping legislation and regulations and, through two subsidiary groups, consideration of technical and procedural problems associated with applying antidumping measures and of rules for addressing the problem of circumvention of antidumping measures.
Customs Valuation	Ad hoc review of Members' legislation and practices concerning the valuation of goods for customs purposes and their compatibility with the Agreement, and technical cooperation aimed at facilitating developing country application of the Agreement's provisions.
Government Procurement	Review of Members' notifications of implementing legislation, of the entities and activities covered by GPA commitments and statistics relating to covered procurements.

Committee	Regular Implementation Activity
Import Licensing	Ad hoc review of annual notification of licensing regimes and procedures.
International Bovine Meat and Dairy Councils (Note: The U.S. belongs only to the former.)	Gradual rationalization of activities in order to complement, and free resources for, work in the Committee on Agriculture
Subsidies and Countervailing Measures	Ongoing review of Members' new or amended CVD legislation and regulations, ongoing review of annual subsidy notifications, and development of notification formats and methodological guidelines in order to facilitate implementation of Agreement provisions, especially those concerning non-actionable (greenlight) subsidies and subsidies which establish presumptions of serious prejudice (dark amber).
Technical Barriers to Trade	Review of specific proposed and existing standards, technical regulations and conformity assessment procedures employed by individual Members that are of interest or concern to other Members, and review of ongoing aspects of the Agreement designed to ensure transparency in the development and application of such standards, regulations and procedures.
Trade in Civil Aircraft	Review general compliance of signatories with Agreement disciplines (e.g., prohibiting government-directed procurement and sales-related inducements) and consideration of technical rectifications to and/or substantive improvements in the text of the Agreement.
Trade and the Environment	Ongoing discussion of issues with a view to fostering positive interaction between trade and environment measures and avoiding protectionist measures, including consideration of whether changes to WTO rules are required.
Agriculture	Ongoing review of Members' notifications indicating implementation of Uruguay Round commitments with respect to market access, domestic support, export subsidies, export prohibitions and restrictions, and other implementation matters, review of notifications addressing implementation and monitoring of Decision on Least-Developed and Net Food-Importing Developing Countries, and consultations/discussions aimed at inducing better compliance with Uruguay Round obligations by certain Members.
Rules of Origin	Ongoing review of Members' notifications of rules of origin, along with relevant judicial decisions and general administrative rulings.

Committee	Regular Implementation Activity
Sanitary and Phytosanitary Measures	Review of specific proposed and existing Sanitary and Phytosanitary measures employed by individual Members that are of interest or concern to other Members, and review of ongoing aspects of the Agreement designed to ensure transparency in the development and application of such measures. Consideration and development of guidelines to avoid arbitrary/unjustifiable distinctions in levels of SPS protection and of procedures for monitoring international harmonization and the use of international standards, guidelines or recommendations.
State Trading	Ongoing review of Members' annual notifications of state trading entities, and development of improvements to notification format and illustrative list of state trading practices to increase transparency and uniformity in notification.
Trade-Related Investment Measures (TRIMs)	Ad hoc and ongoing review of Members' notifications of TRIMs slotted for phase-out and of publications containing information on TRIMs.
General Agreement on Trade in Services :	
--Financial Services	Review application of the GATS in this sector, consider proposals for amendments of the technical annex and provide a forum for technical discussions.
--Basic Telecommunications	(Consideration of establishment of a Telecommunications Committee to guide technical assistance and improve transparency and consistency of regulatory measures related to the Agreement.)
--Professional Services	Beginning by focusing on accountancy sector, the WP has examined/is examining applicability of TBT and import licensing disciplines of WTO to accounting licensing requirements, use of international standards, and means for facilitating negotiation of mutual recognition agreements.
--GATS Rules	Evaluation of information and proposals for possible rules governing safeguards, subsidies and government procurement under the GATS.
--Specific Commitments	Except with respect to sectors for which sectoral bodies exist, oversee improvement of technical accuracy of scheduled commitments and application of procedures for the modification of schedules.

APPENDIX VI:

WTO BUILT-IN AGENDA TIME FRAMES
Specific Deadlines Referenced in the WTO Agreements⁴

DEADLINE	AGREEMENT	EVENT/ACTIVITY	FOLLOW-UP?
September 1997	Information Technology Agreement	Potential new product additions, leading to revised product coverage list by 1-1-99.	Periodically, potentially to include NTBs, etc.
December 1997	Preshipment Inspection	Report on agreement's operation, providing vehicle for improving transparency of agreement.	Review and possible amendments every three years
December 1997	GATS (Financial Services)	Conclusion of extended negotiations	N/A
December 31, 1997	Textiles & Clothing	First CTG review of implementation of integration process	Subsequent reviews before end of 2001 and 2004
December 31, 1997	Standards (TBT)	Committee review of Agreement	Repeat every three years
December 31, 1997	Government Procurement	Begin further negotiations to improve Agreement and extend coverage	N/A
December 31, 1997	TRIPs	Completion of review of geographical indications	N/A
December 31, 1997 (approx.)	Rules of Origin	Completion of WCO technical work for harmonization negotiation	N/A
January 1, 1998	Basic Telecom Services	Entry into force of commitments under Basic Telecom Agreement	Establishment of WTO Telecom Committee is under consideration
January 1, 1998	SPS	Committee review of Agreement	N/A
January 1, 1998	GATS	Entry into effect of results (if any) of safeguards negotiations	N/A

⁴ This table presents, in chronological order, the schedule of review and negotiation TIME FRAMES contained in the WTO's "built-in agenda." It addresses only specific (and specific follow-up) deadlines stipulated in the WTO Agreements and related Decisions and Declarations. The WTO and related agreements also contain frequent references to "annual reviews," "periodic reviews," on-going reviews and open-ended reviews, which are not included here. Neither are past deadlines included. Unless otherwise specified, the dates shown represent -- theoretically -- the *last* date by which the relevant event or activity would occur.

January 1, 1998	Government Procurement	Beginning of “major” review of S&D provisions	N/A
January 1, 1998	Antidumping	Beginning of review of special standard of review applicable to AD disputes	N/A
July 1, 1998	Rules of Origin	Completion of harmonization work program	N/A
December 31, 1998	DSU	Ministerial Conference to complete review of DS rules/procedures	N/A
December 1998	Singapore Working Groups on Competition and Investment	Reports to General Council for consideration of any further work	N/A
January 1, 1999	TRIPs	Review of provisions allowing exclusion from patentability of plants and animals other than microorganisms, etc.	N/A
December 31, 1999 (approx.)	Agriculture	Beginning of next phase of negotiations on agriculture reform	N/A
December 31, 1999	Subsidies	Expiration of greenlight and dark amber subsidy provisions, unless Committee extends	N/A
December 31, 1999	TRIPs	End of period during which TRIPs Council will examine grounds for permitting non-violation nullification or impairment cases	N/A
January 1, 2000	GATT 1994	Review of Jones Act exemption	Repeat review every two years, as long as exemption lasts
January 1, 2000	GATT Art. XXVIII	CTG review of criterion for determining principal supplier interest v/v negotiating rights re schedule modifications	N/A
January 1, 2000	TRIMs	CTG review of Agreement	N/A
January 1, 2000	Subsidies	Committee review of provisions requiring accelerated phase out of LDC export subsidies in export- competitive products	N/A
January 1, 2000	GATS	Deadline for beginning of next round of negotiations to liberalize services trade	Subsequent rounds to be held periodically thereafter
January 1, 2000	GATS	CTS review of MFN exemptions granted for >5 year period	N/A

January 1, 2000	GATS	CTS review of air transport sector and possible further application of the GATS to this sector	Repeat review at least every five years
January 1, 2000	TRIPs	Beginning of TRIPs Council review of Agreement	Repeat review at least every two years thereafter, with additional reviews where warranted
January 1, 2000	TRIPs	Implementation date for most developing country obligations	
January 1, 2000	TPRM	Beginning of TPRB review of mechanism	N/A
December 31, 2001	Textiles & Clothing	CTG review of implementation of second stage of integration process	
December 31, 2004	Textiles & Clothing	CTG review of implementation of third stage of integration process	

APPENDIX VII:

NAFTA Committees and Working Groups			
Name	Jurisdiction	Accomplishments	Future Work
Trade in Goods	Article 316: meet at least once a year to address issues relating to movement of goods among NAFTA Parties	Concluded work on product list for first round of accelerated duty elimination, effective 7/1/97	Will announce second round of tariff acceleration by December 15, 1997
Trade in Worn Clothing	Annex 300-B, Sec. 9: consult with private sector; make recommendations to the Commission	U.S. provided trade statistics on used clothing and has researched and distributed relevant studies on the issue	Agreed to update statistics at next meeting and to determine potential market and risks for manufacturing sector
Agricultural Trade	Article 706: monitor, promote cooperation on NAFTA Chapter 7; consult with other Parties; make recommendations to the Commission	Provided guidance for implementing NAFTA agricultural provisions, including oversight of three working groups (below)	Continue to address issues such as tariff-rate quotas, export subsidies and domestic support programs
Working Group on Grading and Marketing Standards	Established at Mexico's request under NAFTA Annex 703.2 to review effect of agricultural grading & marketing standards on trade	Developed work plan to enhance and better understand operation of grading and marketing standards in each country	Plan series of seminars and meetings in 1997 to review grades and standards program in Canada and the U.S.

NAFTA Committees and Working Groups			
Name	Jurisdiction	Accomplishments	Future Work
Working Group on Agricultural Subsidies	Article 705: work toward elimination of all export subsidies affecting agricultural trade between NAFTA Parties	Agreed on work plan to study domestic support measures that have minimal trade-or production-distorting effects	Approach EU and FTAA on feasibility of eliminating export subsidies in Western Hemisphere
Working Group on Tariff-Rate Quota Administration	Established at request of the U.S. by Agricultural Trade Committee in November 1995	Worked to ensure greater transparency in Mexican TRQ administration and exchange data on TRQ fill rates	Continues to exchange data; addresses problems as they arise
Advisory Committee on Commercial Dispute Resolution Regarding Agricultural Goods	Established under NAFTA Article 707 of both private and public sector representatives to recommend systems to resolve commercial disputes regarding agricultural goods	First met in February 1997 and developed work plan to make final recommendations to Committee on Agricultural Trade by late 1997	Will initially focus on perishable fruits and vegetables; plans to work on disputes involving all agricultural commodities
Committee on Sanitary and Phytosanitary Measures	Principal forum for addressing issues surrounding Mexican regulations ("normas") affecting a variety of agricultural products	Exchanged information and facilitated site visits by U.S. and Mexican health officials to help resolve issues of pest free zones, e.g. Mexican pork and U.S. cherries	Committee has proposed that U.S. and Mexico work together to recognize broader disease-free areas in the border region and to apply the regionalization concept to pork, poultry and wheat

NAFTA Committees and Working Groups			
Name	Jurisdiction	Accomplishments	Future Work
Technical Working Group on Pesticides	Established under Article 722 by the SPS Committee at the request of U.S., to meet at least once a year	Met for the first time in March 1996 and agreed to work toward technical harmonization of pesticide registration and residue limits	Will report to the full NAFTA Committee on Sanitary and Phytosanitary Measures in June 1997
Committee on Standards Related Measures	NAFTA Chapter 9: responsible for monitoring standards, technical regulations and conformity assessment procedures in NAFTA countries	Established and oversees standards subcommittee work: land transportation, telecommunications, textile labeling and automotive (below) under Article 913.5	Insure implementation of the agreement reached on Mexican telecommunications, and clarify understandings reached on labeling and land transportation
Land Transportation Standards Subcommittee	Established under Annex 913.5.a.1	Harmonized some procedures on hazardous materials emergencies and exchanged information on local vehicle size and weight requirements	Continue work toward compatible driver and vehicle standards; publish pamphlet comparing traffic control devices; increase compatibility of rail equipment standards
Telecommunication Standards Subcommittee	Established under Annex 913.5.a.2	Established terminal attachment standards based on common principles; created procedure for exchange of product safety test data	Establish procedures for exchange of terminal attachment test data; continue effort to harmonize regulatory procedures and standards

NAFTA Committees and Working Groups			
Name	Jurisdiction	Accomplishments	Future Work
Automotive Standards Council	Solicited private sector participation to help in identifying incompatibilities in auto standards which disrupt trade	Agreed to terms of reference for working groups on emissions, engines and fuels; vehicle safety standards; and parts and equipment	Continue work on lowering trade barriers to motor vehicles and parts
Subcommittee on Labeling of Textile and Apparel Goods	Established to create mechanism for discussing regulatory problems surrounding textile labeling	Worked toward harmonization of textile care labeling	Continue work on harmonization of fiber content information, manufacturer ID numbers, and label attachment methods
Committee on Small Business	Established under Article 1021 to identify and inform small businesses of opportunities for government procurement contracts within NAFTA	With the Working Group on Government Procurement, developed three guides on opportunities for small businesses which market to the federal governments	Continue to discuss means for assisting small businesses, including systems for disseminating information on government procurement
Financial Services Committee	Established under Article 1412 (3) to implement NAFTA chapter on financial services	Agreed to finalize panel roster on financial services	Review possibility of updating Annex VII; review status of limited scope securities firms in Mexico and discuss any recent banking legislation

NAFTA Committees and Working Groups			
Name	Jurisdiction	Accomplishments	Future Work
Advisory Committee on Private Commercial Disputes	Established under Article 2022 in October 1994 to seek means for alternative dispute resolution (ADR) among private parties within NAFTA countries	Compiled ADR statutes, literature and providers in NAFTA Parties; produced/distributed information on ADR; set up electronic home page	Continue examining ADR within NAFTA Parties, including work on legal issues; promote ADR for SMEs
Working Group on Rules of Origin	Established under Article 513	Amended uniform regulations on rules of origin; simplified NAFTA rules of origin for chemicals; and amended tariff schedule nomenclature to reflect HS changes	Consider changes in Annex 401 rules (e.g. on steel alloys); customs subgroup considering simpler processes for NAFTA certificate of origin, textile verification visits and petroleum inventories
Working Group on Trade and Competition	Established under Article 1504 and is required to report to the Free Trade Commission on the relationship between competition law and NAFTA trade policy no later than December 31, 1998	Discussed scope of WG mandate, key concepts and approaches to trade and competition laws; individual delegations produced discussion papers on trade and competition	Consult with private sector (legal, business and academic) parties interested in trade and competition in the free trade area in preparation for report to the Commission in 1998

NAFTA Committees and Working Groups			
Name	Jurisdiction	Accomplishments	Future Work
Temporary Entry Working Group	Established under Article 1605 to discuss NAFTA provisions covering temporary entry of business persons	Exchanged statistics on temporary entry into respective territories; signed protocol on sharing information on cases where entry has been refused due to potential adverse effects on settlement of a labor disputes	Continue to review issues of spousal coverage and potential modification of temporary entry provisions; address impact of new U.S. immigration legislation on foreign health care workers
Working Group on Government Procurement	Established under NAFTA Chapter 10 and in accordance with GATT/WTO Agreement on Government Procurement (GP)	Implemented NAFTA rules on GP to make process more transparent and to open markets in all three countries	Continue to clarify GP procedures among NAFTA Parties
Working Group on Services and Investment	Established to help implement Chapters 11 and 12 of NAFTA, including notifications required under Articles 1108, 1206, and 1207.	Agreed to extend and exchanged lists of state and local measures which do not meet NAFTA standards; discussed mutual recognition agreements (MRAs) on qualifications for certain professions (e.g. engineers)	Continue discussions on MRAs on professional services; review and discuss state and national restrictions on services and investment

NAFTA Committees and Working Groups			
Name	Jurisdiction	Accomplishments	Future Work
Trade Remedies Working Group	Established in 1993 to seek solutions and reduce the possibility of trade disputes re: subsidies, dumping and the operation of trade remedy laws	NAFTA Parties agreed that UR negotiations alleviated many concerns which led to the establishment of the WG; agreed to adopt measures creating greater transparency and predictability in AD and CVD laws	Discussions within the WG have been completed, but the Parties may continue to consult, as appropriate under NAFTA, on issues related to trade remedies

APPENDIX VIII:

MULTILATERAL ENVIRONMENTAL AGREEMENTS AND NEGOTIATIONS IN WHICH USTR PARTICIPATES

Existing Agreements and Negotiating Fora

Convention on Biodiversity (CBD)
Convention on International Trade in Endangered Species of
Wild Fauna and Flora (CITES)
U.N. Commission on Sustainable Development (CSD)
Basel Convention on the Control of Transboundary Movements of
Hazardous Wastes and Their Disposal
Convention on the Prevention of Marine Pollution by Dumping of
Wastes and Other Matter (London Convention)
Montreal Protocol on Substances that Deplete the Ozone Layer
North American Agreement on Environmental Cooperation
U.S.-Mexico Border Environment Cooperation Agreement
Inter-American Tropical Tuna Convention
International Convention for the Conservation of Atlantic Tunas
Inter-American Convention for the Protection and Conservation of Sea Turtles
International Whaling Convention (IWC)

Negotiation of New or Revised Agreements Currently Underway

Biosafety Protocol to the Convention on Biodiversity
CSD Intergovernmental Panel on Forests
U.N. Negotiation on Hazard Classification and Labeling
“Berlin Mandate” Renegotiation of U.N. Framework Convention on Climate Change
Convention on Persistent Organic Pollutants
Prior Informed Consent Agreement (on certain hazardous chemicals)

APPENDIX IX

GENERALIZED SYSTEM OF PREFERENCES: WORKER RIGHTS CRITERION

The Generalized System of Preferences and other programs that provide trade preferences (the Andean Trade Preferences Act and the Caribbean Basin Economic Recovery Act) contain eligibility requirements for beneficiaries, including that the country have or be found to be taking steps to provide internationally recognized worker rights. A petitioning process, administered by USTR through the GSP program, is used to enforce the worker rights criterion.

Active Worker Rights Cases:

<u>Country</u>	<u>Date Petition Filed</u>	<u>Status</u>
Thailand	1991	Awaiting passage of law to remove restrictions on right of association by state enterprise workers
Belarus	1997	Beginning public comment phase of case - alleged insufficient right to organize and bargain collectively
Swaziland	1997	Same as above

Actions Taken in Recent Years:

Maldives -	Suspended on August 28, 1995 due to inadequate provision of the right of association and the right to organize and bargain collectively
Mauritania -	Suspended on August 1, 1993 due to forced labor and to the inadequate provision of the right of association.
Pakistan -	Partial suspension on October 1, 1996 due to inadequate provision of right of association, the right to organize and bargain collectively, and a minimum age for the employment of children.
Indonesia -	Review suspended on February 16, 1994 pending progress in bilateral labor dialogue.

Cases Successfully Resolved in Recent Years:

Guatemala - 1997 - Dramatic reduction in intimidation of workers and their leaders.
Honduras - 1996 - Signed MOU on specific improvements to enforcement of labor code.

Dominican Republic - 1995 - Improved enforcement of labor code in export processing zones.
Bahrain - 1994 - Enacted labor code reform to improve rights of non-industrial workers.
El Salvador - 1994 - Major labor code reform enacted.
Oman - 1994 - Joined ILO and committed to enact labor code reform.
Costa Rica - 1993 - Petition withdrawn after labor law reform.
Fiji - 1993 - Labor code revised.
Malawi - 1993 - Released labor leaders from prison and adopted labor mediation.
Panama - 1993 - Government repealed labor rights restrictions in export processing zone.
Paraguay - 1993 - Petition withdrawn after reform of labor code
Peru - 1993 - Application of decrees not administered harmfully.

APPENDIX X

U.S. TRADE-RELATED AGREEMENTS AND DECLARATIONS CONCLUDED SINCE 1993

Following is a list of the 217 U.S. trade-related agreements and declarations concluded by the Office of the U.S. Trade Representative from January 1993 through August 15, 1997. This list does not include U.S. trade-related agreements negotiated by other U.S. Government agencies (e.g. civil aviation agreements).

MULTILATERAL AGREEMENTS

Marrakesh Agreement Establishing the World Trade Organization (WTO) (signed April 15, 1994) and the Ministerial Decisions and Declarations adopted by the Uruguay Round Trade Negotiations Committee on December 15, 1993

- a. Multilateral Agreements on Trade in Goods
 - i. General Agreement on Tariffs and Trade 1994
 - ii. Agreement on Agriculture
 - iii. Agreement on the Application of Sanitary and Phytosanitary Measures
 - iv. Agreement on Textiles and Clothing (which now supersedes most of the bilateral textile agreements listed below, incorporating quotas and certain provisions from those agreements)
 - v. Agreement on Technical Barriers to Trade
 - vi. Agreement on Trade-Related Investment Measures
 - vii. Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994
 - viii. Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994
 - ix. Agreement on Preshipment Inspection
 - x. Agreement on Rules of Origin
 - xi. Agreement on Import Licensing Procedures

- xii. Agreement on Subsidies and Countervailing Measures
 - xiii. Agreement on Safeguards
 - b. General Agreement on Trade in Services
 - c. Agreement on Trade-Related Aspects of Intellectual Property Rights
 - d. Plurilateral Trade Agreements⁵
 - i. Agreement on Government Procurement (April 15, 1994)
 - ii. International Bovine Meat Agreement (April 15, 1994)
- North American Free Trade Agreement (NAFTA) (implementing legislation signed December 8, 1993)
- U.S.-Mexico Agreement under NAFTA on the Exchange of Product Safety Test Data (May 20, 1997)
- Free Trade Area of the Americas
 - a. Summit of the Americas Declaration and Action Plan (December 11, 1994)
 - b. Joint Declaration of the Trade Ministers (June 30, 1995)
 - c. Joint Declaration of the Trade Ministers (March 21, 1996)
 - d. Joint Ministerial Declaration of Belo Horizonte (May 16, 1997)
- Asia Pacific Economic Cooperation
 - a. Declaration of Common Resolve (November 15, 1994)
 - b. Declaration for Action (November 19, 1995)
 - c. Declaration on an APEC Framework for Strengthening Economic Cooperation and Development (November 22-23, 1996)
- International Tropical Timber Agreement, 1994 (January 26, 1994; not yet entered into force; successor to the 1983 International Tropical Timber Agreement)

⁵ The Agreement on Trade in Civil Aircraft (April 12, 1979; amended by protocol in 1986) remains in force and was not changed by the Uruguay Round negotiations.

- Memorandum of Understanding on Aluminum (agreement among the United States, Russia, Canada, the European Union, Australia, and Norway on Russian production of aluminum; January 27, 1994; expired in January 1996)
- OECD Agreement on Shipbuilding (December 21, 1994; implementing legislation pending before Congress)
- International Rubber Agreement (renegotiations concluded February 16, 1995; not yet signed)
- Singapore WTO Ministerial Declaration (December 13, 1996)
- WTO Basic Telecommunications Services Agreement (February 15, 1997)
- WTO Information Technology Agreement (ITA) (March 26, 1997)

BILATERAL AGREEMENTS

Albania

- Bilateral Investment Treaty (January 11, 1995)

Argentina

- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Tobacco Tariff-Rate Quota (September 11, 1995)

Australia

- Market Access Agreement for Textiles and Clothing (December 1993)
- Settlement on Leather Products Trade (November 25, 1996)

Azerbaijan

- Agreement on Bilateral Trade Relations (April 12, 1993)
- U.S.-Azerbaijani Bilateral Investment Treaty (August 1, 1997)

Bahrain

- Agreement on Trade in Textiles and Textile Products (April 4 & June 9, 1993)

Bangladesh

- Agreement on Trade in Textiles and Textile Products (December 10, 1994)

Belarus

- Agreement on Bilateral Trade Relations (February 16, 1993)
- Bilateral Investment Treaty (January 15, 1994)

Brazil

- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Trade in Textiles and Textile Products (May 4 & June 27, 1994)
- Agreement on Tobacco Tariff-Rate Quota (August 9 & September 11, 1995)

Bulgaria

- Agreement on Trade in Textiles and Textile Products (December 2 & 23, 1993; Memorandum of Understanding, ad ref, March 23, 1996)
- Agreement Concerning Intellectual Property Rights (July 6, 1994)

Cambodia

- Agreement Between the United States of America and the Kingdom of Cambodia on Trade Relations and Intellectual Property Rights Protection (October 8, 1996)

Canada

- Agreement Regarding Processed Chicken Quotas (October 14, 1993)
- Agreement on Salmon & Herring (May 11, 1993)
- Agreement Regarding Tires (May 25, 1993)
- Memorandum of Understanding on Provincial Beer Marketing Practices (August 5, 1993)
- Agreement on Ultra-High Temperature Milk (September 1993)
- Agreement on Telecommunications (March 1994)

- Agreement on Beer Market Access in Quebec and British Columbia Beer Antidumping Cases (April 4, 1994)
- Agreement on Salmon & Herring (April 1994)
- Agreement on Wheat (August 1, 1994; expired September 11, 1995)
- Agreement on Softwood Lumber Consultative Process (December 15, 1994)
- Agreement on Trade in Softwood Lumber (May 29, 1996)

Chile

- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Trade in Textiles and Textile Products (March 29 & June 8, 1995)

China

- Agreement on Silk Apparel Products (January 17, 1994)
- Memorandum of Agreement to Renew the Bilateral Agreement on International Trade in Commercial Space Launch Services (January 27, 1995)
- Agreement on Trade Relations Between the United States of America and the People's Republic of China (February 1, 1995)
- Agreement on Providing Intellectual Property Rights Protection (February 26, 1995)
- Agreement on Trade in Textiles and Textile Products (January 17 & March 17, 1994; March 29 & June 8, 1995)
- Protocol on the Export of Cherries from Washington State (April 20, 1995)
- Protocol on the Export of Apples from Idaho and Oregon (April 20, 1995)
- Research Protocol for Tobacco (April 1995)
- Protocol on Bovine Embryos and Live Cattle (June 1995)
- Protocol on Bovine Semen (October 1995)
- Agreement on Trade in Textiles and Textile Products (February 2, 1997)
- Protocol and Work Plan on the Export of Grapes from California (May 13, 1997)

Colombia

- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Trade in Textiles and Textile Products (October 15, 1993; November 18, 1994; June 27 & August 9, 1995)
- Memorandum of Understanding on Trade in Bananas (January 9, 1996)

Costa Rica

- Agreement on Trade in Textiles and Textile Products (December 23, 1993; May 5 & October 20, 1994)
- Memorandum of Understanding on Trade in Bananas (January 9, 1996)

Czech Republic

- Agreement on Trade in Textiles and Textile Products (August 11, 1993; April 11, 1994)

Dominican Republic

- Agreement on Trade in Textiles and Textile Products (April 13, August 11 & November 15, 1994; June 25, 1995)
- Agreement on Tobacco Tariff-Rate Quota (September 11, 1995)

Ecuador

- Bilateral Investment Treaty (August 27, 1993; U.S. awaiting Ecuador's approval of intellectual property rights protection agreement before proceeding)
- Agreement on Intellectual Property Rights Protection (October 15, 1993)
- Bilateral Trade Agreement in the Context of Ecuador's Accession to the WTO (1995)

Egypt

- Agreement on Trade in Textiles and Textile Products (January 1993; March 7 & May 4, 1995)
- Market Access Agreement for Textiles and Clothing (June 1994)

El Salvador

- Agreement on Trade in Textiles and Textile Products (September 26, 1994 & July 6, 1995)
- Bilateral Investment Treaty (June 1995)

Estonia

- Bilateral Investment Treaty (April 19, 1994)
- Trade and Intellectual Property Rights Agreement (April 19, 1994; requires approval by Estonian legislature)

European Union

- Memorandum of Understanding on Government Procurement (May 25, 1993)
- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Recognition of Bourbon Whisky and Tennessee Whisky as Distinctive U.S. Products (March 28, 1994)
- Bilateral Agreement on Application of the WTO Agreement on Government Procurement (WTO Plurilateral Agreement on Government Procurement, April 15, 1994)
- Interim Agreement on EU Enlargement Compensation (January 4, 1995)
- Letter on Financial Services Confirming Assurances to Provide Full MFN and National Treatment (July 14, 1995)
- Joint Action Plan on the TransAtlantic Marketplace (December 1995)
- Exchange of Letters Concerning Implementation of the Marrakesh Agreement Establishing the World Trade Organization and Related Matters (June 26, 1996)
- Exchange of Letters between the United States of America and the European Community on a Settlement for Cereals and Rice, and accompanying exchange of letters on rice prices (July 22, 1996)
- Agreement for the Conclusion of Negotiations between the United States of America and the European Community under Article XXIV:6, and accompanying exchange of letters (July 22, 1996)
- Tariff Initiative on Distilled Spirits (February 28, 1997)

- U.S.-EU Agreement on Mutual Recognition of Product Testing or Approval Requirements (June 20, 1997--not yet entered into force)

Fiji

- Agreement on Trade in Textiles and Textile Products (October 11 & November 10, 1994; October 26 & December 29, 1995)

Georgia

- Agreement on Bilateral Trade Relations (March 1, 1993)
- Bilateral Investment Treaty (March 7, 1994)

Germany

- German Agreement to Reform its Procurement System (September 30, 1996)

Guatemala

- Agreement on Trade in Textiles and Textile Products (March 3, 1995; October 19, 1995)
- Agreement on Tobacco Tariff-Rate Quota (September 11, 1995)

Haiti

- Agreement on Trade in Textiles and Textile Products (December 30, 1993; expired)

Honduras

- Agreement on Trade in Textiles and Textile Products (March 2 & September 15, 1995)
- Bilateral Investment Treaty (July 1, 1995; requires U.S. Senate approval)
- Memorandum of Understanding on Worker Rights (November 15, 1995)

Hungary

- Agreement on Intellectual Property Rights Protection (September 29, 1993)
- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Trade in Textiles and Textile Products (April 7 & July 28, 1994)

India

- Agreement on Intellectual Property Rights Protection (March 1993)
- Market Access Agreement for Textiles and Clothing (December 31, 1994)
- Agreement on Trade in Textiles and Textile Products (January 22 & December 31, 1994)

Indonesia

- Agreement on Trade in Textiles and Textile Products (June 16 & July 21, 1993; September 23, 1994; February 24, 1995)
- Market Access Agreement for Textiles and Clothing (December 1993)

Israel

- U.S.-Israel Agreement on Trade in Agriculture (November 4, 1996)

Jamaica

- Agreement on Trade in Textiles and Textile Products (November 8, 1993; September 29, 1994; June 20, 1995)
- Agreement on Intellectual Property Rights Protection and Enforcement (February 1994)
- Bilateral Investment Treaty (February 4, 1994)

Japan

- U.S.-Japan Framework for a New Economic Partnership (July 10, 1993)
- Exchange of Letters Regarding Apples (September 13, 1993)
- Action Plan on Reform of the Bidding and Contracting Procedures for Public Works in Japan (January 18, 1994)
- Mutual Understanding on Intellectual Property Rights between the Japanese Patent Office and the U.S. Patent and Trademark Office (January 20, 1994)
- Exchange of Letters Regarding Implementation of the Measures Regarding Cellular Telephone and Third-Party Radio Systems (March 12, 1994)
- Rice (April 15, 1994)

- Harmonized Chemical Tariffs (April 15, 1994)
- Copper (April 15, 1994)
- Market Access (April 15, 1994)
- Agreement Clarifying the Framework Agreement (May 24, 1994)
- Agreement on Actions to be Taken by the Japanese Patent Office and the U.S. Patent and Trademark Office pursuant to the January 20, 1994 Mutual Understanding on Intellectual Property Rights (August 16, 1994)
- Measures Regarding Insurance (October 11, 1994)
- Measures on Japanese Public Sector Procurement of Telecommunications Products and Services (November 1, 1994)
- Measures Related to Japanese Public Sector Procurement of Medical Technology Products and Services (November 1, 1994)
- Improvement Measures of NTT Procurement Procedures (November 1, 1994)
- Measures Regarding Market Access for Flat Glass (January 25, 1995)
- Measures Regarding Financial Services (February 13, 1995)
- Policies and Measures Regarding Inward Direct Investment and Buyer-Supplier Relationships (June 20, 1995)
- U.S.-Japan Automotive Agreement and Supporting Documents (August 23, 1995)
- U.S.-Japan Semiconductor Accord (August 2, 1996)
- Interim Understanding for the Continuation of Japan-U.S. Insurance Talks (September 30, 1996)
- U.S.-Japan Insurance Agreement (December 15, 1996)
- Japan's Recognition of U.S.-Graded Lumber (January 13, 1997)
- U.S.-Japan Agreement on Deregulation Initiative (June 19, 1997)

Jordan

- U.S.-Jordan Bilateral Investment Treaty (initialed, April 4, 1997)

Kazakhstan

- Agreement on Bilateral Trade Relations (February 18, 1993)

Kenya

- Agreement on Trade in Textiles and Textile Products (August 23 & October 25, 1994)

Korea

- Exchange of Letters Relating to Korea Telecom Company's Procurement of AT&T Switches (March 31, 1993)
- Beef Agreements (June 26 & December 29, 1993)
- Record of Understanding on Agricultural Market Access in the Uruguay Round (December 13, 1993)
- Agreement on Trade in Textiles and Textile Products (November 8 & 30, 1993)
- Market Access Agreement for Textiles and Clothing (January 1, 1995)
- Exchange of Letters on Telecommunications Issues Relating to Equipment Authorization and Korea Telecom Company's Procurement (March 29, 1995)
- Agreement on Steel (July 14, 1995)
- Shelf-Life Agreement (July 20, 1995)
- Revised Cigarette Agreement (August 25, 1995)
- Memorandum of Understanding to Increase Market Access for Foreign Passenger Vehicles in Korea (September 28, 1995)
- Exchange of Letters on Implementation of the 1992 Telecommunications Agreement (April 12, 1996)
- Korean Commitments on Trade in Telecommunications Goods and Services (July 23, 1997)

Kuwait

- Agreement on Trade in Textiles and Textile Products (May 10, 1994)

Laos

- Agreement on Trade in Textiles and Textile Products (September 15, 1994)
- U.S.-Laos Bilateral Trade Agreement (initiated, August 13, 1997)
- U.S.-Laos Bilateral Investment Agreement (initiated, August 13, 1997)

Latvia

- Agreement on Trade & Intellectual Property Rights Protection (July 6, 1994)
- Bilateral Investment Treaty (January 13, 1995)

Lebanon

- Agreement Concerning Trade in Certain Textiles and Textile Products (February 18, 1993)

Lesotho

- Agreement on Trade in Textiles and Textile Products (March 2 & May 25, 1994; expired)

Lithuania

- Trade and Intellectual Property Rights Agreement (April 26, 1994; requires approval by Lithuanian legislature)

Macau

- Agreement on Trade in Textiles and Textile Products (March 29 & May 21, 1994)

Malaysia

- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Trade in Textiles and Textile Products (January 12 & 28 & November 3, 1994)

Mauritius

- Agreement on Trade in Textiles and Textile Products (March 17 & July 29, 1994)

Mexico

- Agreement on Trade in Textiles and Textile Products (August 26, 1993; superseded by NAFTA)

Middle East

- Reciprocal Duty Free Treatment to the West Bank and Gaza Strip (October 17, 1995; requires implementing legislation)

Moldova

- Bilateral Investment Treaty (April 21, 1993; requires U.S. Senate approval)

Mongolia

- Bilateral Investment Treaty (October 7, 1994)

Morocco

- Market Access Agreement for Textiles and Clothing (December 1993)
- Bilateral Trade and Investment Framework Agreement (March 16, 1995)

Nepal

- Agreement on Trade in Textiles and Textile Products (December 2, 1993; July 22, 1994)

Nicaragua

- Bilateral Investment Treaty (July 1, 1995; requires U.S. Senate approval)

Norway

- Market Access Agreement for Textiles and Clothing (December 1993)

Oman

- Agreement on Trade in Textiles and Textile Products (December 13, 1993; January 15 & June 21, 1994; September 30 & November 6, 1995)

Pakistan

- Market Access Agreement for Textiles and Clothing (January 21, 1994)
- Agreement on Trade in Textiles and Textile Products (November 10 & December 12, 1994; March 22, 1996)

Panama

- Bilateral Tariff Agreement Concluded in the Context of Accession to the GATT (June 1993)
- Agreement on Trade in Textiles and Textile Products (August 10, 1994; expired)

Philippines

- Protection and Enforcement of Intellectual Property Rights (April 6, 1993)
- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Trade in Textiles and Textile Products (March 10 & 19, 1994)

Poland

- Agreement on Trade in Textiles and Textile Products (December 6 & 30, 1993)

Qatar

- Agreement Concerning Trade in Textiles and Textile Products (June 28, 1994; October 25 & November 20, 1995)

Romania

- Agreement on Trade in Textiles and Textile Products (December 9, 1993; January 5, 1994; December 15, 1995)

Russia

- U.S.-Russia Space Launch Agreement (September 1994; amended January 1996)
- Agreement on Trade in Textiles and Textile Products (December 1, 1995)
- Joint Memorandum of Understanding on Market Access for Aircraft (January 30, 1996)

- Agreement on Russian Firearms & Ammunition (initialed February 10, 1996; not yet signed)
- Agreed Minutes regarding exports of poultry products from the United States to Russia (March 15, March 25 & March 29, 1996)

Singapore

- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Intellectual Property Rights Protection (April 26, 1995)

Slovak Republic

- Agreement on Trade in Textiles and Textile Products (August 6 & October 6, 1993)

South Africa

- Market Access Agreement for Textiles and Clothing (December 1993)

Sri Lanka

- Agreement on Trade in Textiles and Textile Products (April 7 & July 17, 1994; February 6, March 22, June 23 & September 5, 1995)

Suriname

- Agreement Establishing a U.S.-Suriname Council on Trade and Investment (October 8, 1993)

Switzerland

- Exchange of Letters on Financial Services (November 9, 27, 1995)

Taiwan

- Agreement on Intellectual Property Protection (Trademark) (April 1993)
- Agreement on Trade in Textiles and Textile Products (June 4 & 24, 1993; December 30, 1995)
- Agreement on Intellectual Property Protection (Copyright) (July 16, 1993)
- Agreement on Market Access (April 27, 1994)

- Trade and Investment Framework Agreement (September 19, 1994)
- Telecommunications Liberalization by Taiwan (July 19, 1996)
- U.S.-Taiwan Medical Device Issue: List of Principles (September 30, 1996)

Tajikistan

- Agreement on Bilateral Trade Relations (July 1, 1993)

Thailand

- Market Access Agreement for Textiles and Clothing (December 1993)
- Agreement on Intellectual Property Rights Protection and Enforcement (July 1993)
- Agreement on Trade in Textiles and Textile Products (June 3 & July 5, 1994)

Trinidad and Tobago

- Agreement on Intellectual Property Protection and Enforcement (September 26, 1994)
- Bilateral Investment Treaty (September 26, 1994)

Turkey

- Agreement on Trade in Textiles and Textile Products (November 13 & December 17, 1993; October 31 & November 30, 1994; July 19, 1995)
- Agreement on Tobacco Tariff-Rate Quota (July 24, 1995)

Turkmenistan

- Agreement on Bilateral Trade Relations (March 23, 1993)

Ukraine

- Bilateral Investment Treaty (March 4, 1994)
- Agreement on Trade in Textiles and Textile Products (May 6, 1995)
- Space Launch Agreement (February 21, 1996)

United Arab Emirates

- Agreement on Trade in Textiles and Textile Products (March 29 & July 21, 1994; December 30, 1995; February 6, 1996)

Uruguay

- Agreement on Trade in Textiles and Textile Products (October 31, 1994)

Uzbekistan

- Agreement on Bilateral Trade Relations (November 5, 1993)
- Bilateral Investment Treaty (December 16, 1994; requires U.S. Senate approval)

Vietnam

- U.S.-Vietnam Copyright Agreement (June 27, 1997)

Venezuela

- Market Access Agreement for Textiles and Clothing (December 1993)

Zimbabwe

- Agreement on Tobacco Tariff-Rate Quota (September 11, 1995)

APPENDIX XI:

LIST OF FREQUENTLY USED ACRONYMS

AD..... Antidumping
APEC....Asia Pacific Economic Cooperation
ASEAN...Association of Southeast Asian Nations
ATPAAndean Trade Preferences Act
BIT..... Bilateral Investment Treaty
CACM.... Central American Common Market
CARICOM..... Caribbean Common Market
CBERA..... Caribbean Basin Economic Recover Act
CBI..... Caribbean Basin Initiative
CFTA.... Canada Free Trade Agreement
CTG..... Council for Trade in Goods
CVD.... Countervailing Duty
DSB.... Dispute Settlement Body
DSU.... Dispute Settlement Understanding
EU..... European Union
EFTA.... European Free Trade Association
FOIA.....Freedom of Information Act
FTAA.... Free Trade Area of the Americas
GATT.... General Agreement on Tariffs and Trade
GDP..... Gross Domestic Product
GPRA...Government Performance and Results Act
GSP..... Generalized System of Preferences
IPR..... Intellectual Property Rights
ITA..... Information Technology Agreement
MAI... Multilateral Agreement on Investment
MERCOSUL/MERCOSUR.... Southern Common Market
MFA.... Multifiber Arrangement
MOSS..... Market-Oriented-Sector-Selective
MOU..... Memorandum of Understanding
MRA..... Mutual Recognition Agreement
NAFTA.... North American Free Trade Agreement
NIS..... Newly Independent States
OECD..... Organization for Economic Cooperation and Development
SADC.... Southern African Development Community
TAA..... Trade Adjustment Assistance
TRIMs..... Trade Related Investment Measures
TRIPs..... Trade Related Intellectual Property Rights
URAA.... Uruguay Round Agreements Act
USDA..... U.S. Department of Agriculture
USITC.... U.S. International Trade Commission
USTR.... United States Trade Representative

VRA.... Voluntary Restraint Agreement
WTO.... World Trade Organization